



DISCUSSION PARTNER

A Radical Transformation to Unrivaled Service
in the Insurance Industry

TROY KORSGADEN

Korsgaden
International

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INTRODUCTION

The world is changing so fast that it's difficult to keep up. A radical transformation is rumbling beneath the foundation of our venerable insurance and financial services industry. Yet we are, in many ways, still conducting business like we did in the 1950s.

When consumers buy traditional insurance products in the property and casualty (P&C) arena—for example, auto and home insurance, commercial business insurance, and life insurance—they are basically told how to buy it. There are only a couple of factors that consumers can control regarding their purchases: which representative or carrier they will buy policies from and how they will buy it—from a representative in his or her office, over the internet, or on the phone.

Beyond that, people are told when the policy goes into effect, when it ends, how much it costs, payment options, and the limits and deductibles they can choose from. This has always been the case.

But today we live in the Amazon.com world, where you get to choose what to buy, how and when to buy it, how you want it delivered, and other options. You can even see what hundreds of other people say about the products before you buy. Amazon and other companies keep evolving based on what customers want. But in the insurance world, it doesn't work that way. We are stuck in the last century, for the most part.

We must make people's lives easier in the context of the new world order.

Adapt to Radical Transformation, and Never Look Back

To successfully move forward, we must be alert to the radical transformation that is taking place in the world and provide customers with unrivaled service within the framework of that change. Successful business owners are those who will adapt to the tsunami of change taking place in the world and in our industry by looking to the future and planning for the long term.

Research by four principals at ghSmart, a leadership advisory firm, say it's critical for businesses and leaders to adjust to a rapidly changing environment. They conducted an analysis showing that CEOs who excel at adapting are 6.7 times more likely to succeed than those who don't. They found that adaptable CEOs spend significantly more of their time—as much as fifty percent more—thinking about the long term, as opposed to the short term and medium term. Less successful executives devoted an average of thirty percent of their time to long-term thinking.¹

“We believe a long-term focus helps because it makes CEOs more likely to pick up on early signals,” the principals concluded. “Highly adaptable CEOs regularly plug into broad information flows: they scan wide networks and diverse sources of data, finding relevance in information that may at first seem unrelated to their businesses. As a result, they sense change earlier and make strategic moves to take advantage of it.”²

We must adapt to the unprecedented change that is unfolding around us and never look back.

In 1519, Captain Hernán Cortés arrived in the New World with six hundred men and, upon arrival, commanded: “Burn the ships!” His order sent a clear message to his men that they would never turn around and go back where they came from.

Burn your ships. We're not going back to where we came from. We're not going to invest our future in shopping malls.

They're being torn down. We're never going back to Kodak paper. It's gone. We're never going to walk into Montgomery Ward again. It's history. The insurance industry as we know it will never be the same again. Soon, things will be drastically different than they are today.

Introducing the “Discussion Partner”— Your Most Important Role

Thinking about this situation we are in today led me to come up with a new strategy: becoming a *Discussion Partner* for clients. A Discussion Partner is a person who understands that clients don't want to be *sold*, and they don't want to be *told*. Customers are smart. They do their due diligence through digital and social media.

According to the Ecommerce Foundation, 88 percent of consumers research products before buying them in a brick and mortar store. Advertising people call this an “omnichannel” approach to shopping.³

That number relates to general merchandise, but guess what? The number is the same for people who are comparing prices on auto insurance. The Insurance Information Institute reports that in 2016, 88 percent of consumers said they would use the internet to research life insurance before purchasing coverage.⁴

Yet they are often afraid to pull the trigger and make the actual purchase because they are protecting their income, their assets, and their retirement. They want to make sure they have made the right decision so that they will be covered if someone wipes out their car or if they wipe out someone else's car and injure multiple people in that vehicle. The information on the internet is somewhat helpful, but people need a Discussion Partner—not to sell them something, but to be a trusted advisor who offers unbiased, helpful guidance.

When tax time comes, people could easily use TurboTax or some other automated tax-preparation software to prepare their federal and state tax returns. But if they have a complex financial situation with a business or multiple properties, they prefer to hire a highly competent CPA and maybe a tax attorney. They want to be able to discuss with an expert how various scenarios will affect their tax burden and receive advice on how to shelter their assets from taxes. The CPA and tax attorney are Discussion Partners.

People want to work with professionals who aren't just interested in making money but instead genuinely want to help them mitigate risk, grow their assets, and protect the financial future of their families and businesses through sound advice.

I see a shift taking place among independent and exclusive representatives and broker reps. They are realizing that their clients want more today than they settled for in the past. Carriers, reps, brokers, and team members can no longer provide optimum service just by offering the products and solutions they've represented all their lives.

The local representative or advisor is the *gateway* to all the products and services offered in the universe. Discussion Partners are local service providers. If someone is in a car accident, they can go take pictures at the scene. They can take the driver blankets while he or she is waiting for the EMTs and police to arrive. They can get the driver a rental car. They can do things that other people in the omnichannel can't always do.

This ain't your daddy's daddy's insurance book. The purpose of this book is to convince you to buy in to service first and then *earn the right to add more products and services by becoming a Discussion Partner to your clients*—no matter what they do and no matter whether you sell policies to them directly or help them secure coverage through an alternative method.

Evolve with Unrivaled Service

I wrote this book for the early adopters—those forward-thinking carriers, representatives, brokers, and team members who recognize the need to evolve and serve clients with unrivaled service as our industry experiences a radical transformation. This book is for those people who recognize that even though they're doing a great job of serving clients right now, it won't be good enough in the future.

If you're a carrier executive, this book will help you align your organization around everything that touches the customer.

If you're a broker/agent, this book will change the way you look at your business so you provide unrivaled service and fulfill *all* your customers' needs.

If you're a team member, this book is your dream come true. Providing exemplary service takes away your pressure to sell, encourages you to build relationships, and positions you to fulfill your customers' needs.

Let me put it this way: The carrier has a new credo to provide unrivaled and seamless service and interactions. The broker/agent will have a bigger and more robust client base, making his or her business more profitable and manageable. And team members have always put service first and filled in when they're available to sell. Now the duties of everyone involved converge into one purpose, naturally and seamlessly.

What does the future hold? Eventually, all carriers, representatives, brokers, and team members will become multiline reps, selling every insurance protection and financial services product and service available. Why? So they can ensure that their clients have everything they need. Reps and advisors will sell the products their own firms represent. They will also have joint-venture agreements with other carriers, agencies, firms, and

product-specific experts so they can offer clients the widest range of options possible 100 percent of the time. Those who limit their offerings will fail to compete at some point.

Unrivaled service has come to mean you can no longer just put one toe in the water; you must put your whole darn foot in the water. You must make every product and service available to every client. You won't deliver all of them at the same time, but you must be ready to offer the appropriate products and services whenever someone needs them.

Let's look beyond the status quo and consider the potential that lies beyond what we've always known. Let's broaden our view of what's possible so that we can serve our clients the way they want to be served. After all, they are our number one priority and our entire reason for existing as businesspeople. Let's put our organizations on a continuous loop of improvement that places our clients in the driver's seat.

I hope the concepts in this book will serve as a roadmap for you and your organization as you look to the future. I encourage you to evaluate your company, firm, agency, or practice through the lens of our quickly evolving world to discover its—and your—true potential.

At the end of each chapter, I have provided reflection questions that can help you apply the concepts to your own situation and plan how to evolve. For any concept that you want to adopt, write down a tactical plan for how you will execute that strategy, and then describe how you will measure its effectiveness and value—"inspect what you expect."

Now, let's explore how customer service in our industry can evolve beyond anything we could have imagined in the past.

CHAPTER 1

Customer Service Will Always Be the Apex

As the world changes, customers' preferences change. Today, consumers want more and different options than they were offered in the past. This is the current reality in all types of industries. Our job is to give them what they want. They are and always will be the apex, or high point, of our reason for being in business.

For example, people who apply for life insurance have always been required to undergo a physical exam. This has been the case for decades. But according to the seventh annual Insurance Barometer Study, conducted in 2017 by LIMRA and Life Happens, seventy percent of Americans who would consider purchasing life insurance would be interested in doing so without a physical exam—a process called “simplified underwriting.”⁵

Some carriers are offering this option in certain situations. If our industry would evolve from our usual way of doing business and offer this option to more consumers, imagine how many more families would be protected financially from catastrophic life experiences. And imagine the increase in life insurance sales our companies would see!

The study noted that people who are interested in purchasing life insurance through simplified underwriting are drawn to the speed and ease it offers. Consumers also cited the following benefits of this option:⁶

- **Risk and price transparency (67 percent)**
- **An unbiased application process (66 percent)**
- **No need for a medical exam (64 percent)**

Think back to when automatic teller machines (ATMs) started appearing in banks, shopping centers, and parking lots. Many people declared, “Banking is dead! The era of the bank teller is gone!” But that didn’t happen. If somebody steals your identity, do you go to the ATM? No—you go to the bank and speak with a bank officer. If you need to deposit \$300,000, do you use the ATM? No—you go to the bank and have a trusted banker handle the deposit. And when you inherit half a million dollars, do you go to an ATM? No. You need a private banker to advise you on what to do next. The ATM simply provides a convenient way to get cash or make a small deposit in a hurry.

As our industry responds to radical change by providing unrivaled service to clients in still unknown ways, it doesn’t mean our basic products and services will disappear; it just means we will have discovered convenient new ways to meet their financial needs.

As Technology Continues Advancing, Service Will Remain Job One

Six years ago, at the 2012 Coachella Valley Music and Arts Festival, hip-hop artists Dr. Dre and Snoop Dog created a moving likeness of Tupac Shakur via a computer-generated image, fifteen years after he died as the result of a drive-by shooting. The crowd of 80,000 roared. Tupac’s posthumous performance was dubbed the “Tupac Hologram,” even though the image wasn’t technically a hologram. It was a two-dimensional projection of an image onto an angled piece of glass, reflected back onto the stage. A hologram

is a light-beam-produced, three-dimensional image visible to the naked eye.⁷

But that was six years ago—eons in terms of tech advancement. We have come a long way since then. Someday, maybe I can talk to you in your living room via a hologram. In the future, we might communicate only through holograms or in some other way that we aren't even aware of yet. It is not too far-fetched and not too far in the future.

In fact, a group of researchers at the University of California, Berkeley, is testing the ability to create, edit, and scrub our memories—sensory experiences from our brains, both real-time and stored experiences. They are using computer-generated holography (CGH) to create three-dimensional floating light shapes and then projecting the diffracted light-forms into the brain. This triggers a pattern and rhythm of neural activity that generates specific sensations and perceptions. The holograms can stimulate, edit, and suppress the brain activity associated with actual experiences.⁸

But regardless of how far technology advances, the message in this book will still be relevant twenty years from now. Why? Because it's all about the customer. That will never change. No matter how much the world changes, customer service must always be the apex of everything we do.

Lead with Service, Not Price

We approach a slippery slope when we advertise that we can save people twenty or thirty percent on their auto insurance. The offer will probably prompt a lot of people to call you and check out your products and services, but you don't want to focus on price. You don't want to sell anything other than the opportunity to offer them *the best coverage and the best lifetime partnership at the best cost*—in other words, unrivaled service.

Cost is a factor in a client's decision-making process, but it's not the only one.

Providing the best coverage at the best cost requires that you know a lot about your prospect or client. In the old days, we couldn't do that because we just sat there and waited for consumers to walk into our agencies. To really know you, I would have to spend a couple of hours with you in my office, filling out a book of data that included where you had your policies, what type of coverage you had, and any changes you planned to make in your finances. If I really wanted to be thorough and complete, I'd have you bring your sleeping bag because you would be here all night . . . or forever.

But that's boring. Insurance and financial services just ain't that interesting, and they never will be. Whether the market goes up or down, and whether risk rates go up or down, your clients should always want to work with you because you are cognizant that their time is important. Everybody wants to feel important. And today, with data collection, we can prefill a lot of data fields. If we set up our systems correctly, we can create a pre-snapshot of a client and fill in any details we're missing.

These days consumers can buy a car over the phone or through the internet, and they can look at a car in 3D. There is no reason why the insurance industry can't evolve in a similar manner. Because just about everyone in our industry is using the same technology and algorithms, the platform used for costs is pretty much the same wherever you go.

Every insurance company has what's called a "win rate." If a consumer is comparing prices on personal home or auto insurance and calls five different companies, each of those companies will quote a rate based on its historical data and rate modeling. But they are usually going to be competitive only twenty to thirty

percent of the time. Since they can't be competitive 100 percent of the time, we now have a level playing field for the first time in years. Every company has a sweet spot, but it's usually different for every company.

This isn't only because of losses, per se; it's just that a company can't be competitive in every risk all the time. So the odds are, if I'm competing against another representative for business, I'm going to win business only a certain percentage of the time. If I win thirty percent of the time, then that means I am losing seventy percent of the time. To be more competitive, I need to offer something more than a rate . . . and more than just advice.

Research supports this concept. The 2017 Insurance Barometer Study mentioned earlier, which was conducted by LIMRA and Life Happens, revealed the top three factors consumers list as most important to them when purchasing life insurance:

- **Having a product that is “easy to understand” (mentioned by 83 percent of the survey respondents);**
- **The “ability to chat with a person” (66 percent); and**
- **A “faster sign-up process” (51 percent).**

Another study conducted in 2017, the eleventh annual J.D. Power Insurance Shopping Survey, revealed that communication drives customer satisfaction in auto insurance purchases. The key performance indicators that most affect the purchase experience index are ensuring that the customer completely understands coverage, providing guidance and/or tools for selecting the right coverage, and ensuring that customers understand premium calculations.⁹

Greg Hoeg, vice president of U.S. insurance operations at J.D. Power, said, “To survive this period of price stagnation, insurers

must develop strategies to be able to better differentiate—not just to acquire new customers, but also to acquire customers with desirable risk profiles to maintain profitability.”¹⁰

Recognize Four Types of Consumers

I have worked with large consulting companies, served as a subject matter expert on consumer studies, and led initiatives to find out what different customers want from carriers, representatives, brokers, and team members. All this research has revealed to me that there are, in general, four segments of consumers. We can potentially convert all of them into Discussion Partner relationships.

Here is how I describe the four segments of consumers:

1. **Discussion Partners**—These people aren’t necessarily wealthy, but they tend to be educated, and they seek information to learn about whatever they’re purchasing. They stand out from the people in the other three segments because they are engaged in the purchasing process.
2. **Relationship clients**—Currently this is the biggest segment of consumers—the people we have known for a long time. These are clients we grew up with. We went to school with them. We’re in clubs with them. We attend the same church, synagogue, or mosque they do. They hand us their business because of our relationship with them. They don’t want to deal with insurance, and they know that is what we specialize in, so they say, “Just handle it.” The biggest opportunity for carriers, representatives, brokers, and team members today is to monetize this book of business and transition clients to the Discussion Partner arena. This will enable you to distinguish yourself

from others and sell yourself as a Discussion Partner to these people who already trust you. You will become the knowledgeable and reliable consultant who leads clients to wise choices about their financial futures.

- 3. The children of long-time clients and their households**—The third consumer segment is comprised of the children of those households we have been covering for five, ten, twenty, or thirty years—or more. They acknowledge that their dad, their dad’s dad, and their dad’s granddad did business with the same representative. Become a Discussion Partner for those clients. Show them the value of working with a rep who isn’t commission-driven, but service-driven.

Younger people are not as brand-loyal as previous generations were, so we must demonstrate our value as open, honest, straightforward Discussion Partners who disclose exactly how our superior advice works. We must let these clients know that fulfilling their insurance and financial services needs is our first priority. We need to show them our unique value as Discussion Partners who will guide them toward optimum financial decisions, and we need to do so before they build their wealth or receive their inheritances.

We also must work to serve them in every possible area of our multiline businesses—auto, home, life, disability, and health insurance, as well as financial services and investments. People typically don’t have all these types of coverage with the same representative, but they should. They have never had a reason to; they have never had a rep tell them that he or she wants to serve all their

financial needs and to be a Discussion Partner in every aspect of their financial well-being.

4. **Price-only-driven people**—These are people who approach every purchase focused solely on the price. We can try to move some of these prospects into Discussion Partner relationships. We can probably transition some of them into that type of relationship by demonstrating our value to them. But others might not be worth the time or effort—the ones who want to save \$2 on a blender by spending \$10 worth of gas driving to different stores to compare prices.

Some people who appear to be focused only on price are open to being educated about why certain coverage is ideal for their situations, even if it costs more than other options. It is possible to convert those clients into Discussion Partnerships. But other clients will fixate on the price, regardless of the reasons you give for offering anything but the lowest-cost option. People who care only about price and nothing else are not ideal clients for us.

Understand That Open Architecture Is the Future of Insurance

Open architecture is a financial institution's ability to offer clients both proprietary and external products and services. Using this approach, a carrier, representative (independent or exclusive), or broker recommends the financial products that are best suited to that client, even those that are not proprietary products. This helps ensure that carriers, reps, brokers, and team members avoid the conflict of interest that might exist if they recommended only their proprietary products. It also helps them do a better job of meeting each client's unique financial goals.

In an open architecture setting, reps receive a fee for their recommendations instead of the commission they would earn in a proprietary setting. The most important benefit, though, is that open architecture creates an environment of increased trust between clients and their reps.

All insurance carriers will soon adopt open architecture. That doesn't mean they are going to disregard their venerable, valuable, and well-known brands, but they are going to realize that they are not all things to all people.

Most clients recognize that carriers, local representatives, brokers, and team members ought to be compensated in some way. It might be through the carrier's disclosed fees. It might be through a product commission. Reps might get no commission on one policy but a fair commission on five other lines of insurance. Those in our industry deserve to be compensated for the unrivaled, valuable advice we give.

Transparency is an important hallmark of open architecture. We don't need the U.S. Department of Labor to tell us to act in the best interest of our clients with a "fiduciary standard." Competent, professional representatives and brokers should do that on our own because it's the right thing to do, even though there will always be much-needed laws and guidelines for consumer protection. The best example of this is in the financial-services-only arena. I have several colleagues I look up to who are experts in this field.

Transparency is especially important when it comes to the way you charge for your services. For example, I might recommend a protection product to a client with zero commission. Or I might explain to my client that I have agreements with various carriers so that I can recommend products that are right for him or her, even though they are not within my own carrier's brand.

Open architecture enables me to consider the entire marketplace and recommend products that best suit my clients in terms of coverage, reasonable rates, and service. The client should be our first and only priority 100 percent of the time.

Carriers will always maintain their respective brands, but they are continuing to broaden their relationships with their distribution companies to become part of a Discussion Partner collaboration with a client household and/or business. We will all serve our clients first, and we will each get our fair share of the business because we will be competitive enough most of the time. And when we are not competitive, the solid relationships we have built with our clients—based on trust, open communication, and connection—will compensate. As I like to say, “People will pay more for value.”

We need to practice full disclosure with our clients. If I’m getting a commission, I tell my clients what it is. If I get a bonus, I tell them. If I don’t get a commission, I tell them. If I get a SPIF—a finder’s fee from a broker—I tell them. I disclose 100 percent of the details about every sale to the client. This has never been done 100 percent of the time in the property and casualty industry, but we need to evolve. It is what customers want and have every right to expect.

The typical family today owns two or three cars, a home, perhaps a rental or lake house, and maybe even a small or medium-sized business. They are average people, not the Buffetts, Bezoses, Gateses, or Zuckerbergs. When they come to us shopping for auto or home insurance, imagine if we could show them a full picture of the various types of protection they need and explain how we could be of better service to them. Imagine if we could sell any company’s products and services and then work with them to ensure that they are getting the best coverage and

most reasonable rates possible. This opens the door to helping them protect and manage their assets more thoroughly and conveniently.

Strive to Provide Flawless Execution of Service to the Death

I have known famous, wealthy people who were not insured for even half the amount they should have been. We need to lead our clients to focus on the big picture—protection from financial disaster in the event of a catastrophic event—instead of focusing on saving them \$20 a month on their premiums.

There are no shortcuts—just the best policy at the best cost with the best service. Sometimes people will pay more. Sometimes they will pay less. But it is our job as Discussion Partners to help people make the most informed, wisest decisions possible.

Many people in the insurance and financial services industry are in denial. Just about everybody wakes up in the morning and says, “We’re going to provide the best customer service. Our brand is the best.” But the reality is, unless you are striving for continuous improvement, customer service is not as outstanding as it could and should be.

We will be diligent about doing annual reviews with our clients, of course, but we need to go far beyond that. Claims and changes in car and home ownership are a given, but not everything is covered by insurance, such as crisis management when something comes up. We need to help our clients mitigate any potential losses. We need to be there for them even for non-covered losses, such as being in a car accident caused by somebody else or having a car stolen that wasn’t covered for physical damage comp and collision.

A lot of carriers, representatives, brokers, and team members provide good service, and some provide exemplary service. But

is it a flawless execution of service to the death? No. If service were everything, people wouldn't question the price. For example, I've had the same accountant for more than thirty years. He has always done an excellent job and I have never once told him, "I pay you too much." Does that mean have things always gone right? No. Sometimes things have gone awry. He isn't perfect, but he guarantees that I'm going to have a great experience, which is excellent service provided consistently over a long period of time. That is the gold standard.

Anybody can sell insurance to people and fix their bill when there is an error. But few carriers, representatives, brokers, and team members will make sure their clients have a great experience even in areas of their lives that aren't covered and support them through the maze of madness. That's what the 9/11 attacks taught us: it's a big, scary world. People want somebody to hold their hand during the rough times. We can and should do that. A big part of providing unrivaled service is great communication—telling people what to expect. This requires the relentless pursuit of frequent contact and open dialogue.

Regardless of how our new clients find out about us—from our websites, lead management, the company call center, a referral, or someone who just moved to town and drove by or saw an ad—we care how they found us, and we need to let them know that we are different. We are not like every other representative, broker, carrier, or team member. And we are not confined to the way business was done in the 1950s . . . all the way up to the present.

How Will You Evolve?

1. **Become a Discussion Partner to all your clients**—What is your reaction to the concept of being a Discussion Partner with your clients? How different would that be from the current way you relate to them? How would you communicate this new approach to your representatives and to your clients?
2. **Categorize your clients into four groups**—What percentage of your clients, roughly, would you say fall into the four categories: educated information seekers, relationship clients, the children of long-time clients, and price-hungry people? What will it take to convert all of them to Discussion Partners?
3. **Remove price from the equation**—To what extent do you compete on price as a carrier, agency, broker, or team member? How can you provide even better customer service than you do now? What can you and your team do to move beyond the status quo? What will it take to execute your new customer service strategies?
4. **Broaden your offerings by collaborating with other carriers**—Are you limited in terms of the products and services you can sell? How would your business, and your revenue, be different if you could sell products and services from any carrier? How would this expanded menu of options enable you to serve your clients more thoroughly? How would it change the way you market your agency?

5. **Consider forgoing the commission in some cases—** Would you sell a policy at no commission, knowing you have five other lines that you do receive a commission on? Think about how your willingness to do so can transform your clients' perceptions of you and the way you do business.

6. **Support clients even for non-covered losses—** Can you see your agency supporting clients, even in areas in which they are not covered? How can you and your team guide clients through the maze of madness they often face in our increasingly complex, constantly changing world?

CHAPTER 2

Transform Your Customer Service Capabilities

People don't have ten dentists or four orthodontists. Why on earth would someone want five or ten different providers of financial services? It has been a mystery of the ages that every carrier wants to solve. Many times, people have their assets and coverage in more than one firm or agency because one provider doesn't offer everything they need. The solution? Provide everything they need, either by hiring specialists in many different types of financial products or collaborating with professionals who have the expertise you don't have.

People have a hard enough time just getting to the DMV to replace their driver's licenses. Do they really want to go to ten places for financial services? It doesn't make sense. It's not efficient, and it makes it more difficult for them to effectively manage their finances. The ideal scenario is for a client to work with one competent, knowledgeable Discussion Partner for all his or her protection and financial needs.

I have always encouraged representatives and advisors to provide such great service that they *earn the right* to put more products and services into more clients' households. That leads to business profitability. But the focus should be on providing unrivaled service that guarantees future, sustainable business growth and profits.

In the face of radical transformation, this is the only way to differentiate yourself. If you are exceptionally good at what you do, your clients will consider whatever you offer them. Being willing to do something that nobody else will do—providing unrivaled service—gives you a platform to become the representative or advisor clients come to for all advice and discussions, regardless of the price or situation. When you've earned their trust, they will consider you their go-to person because you stated what you were going to do for them, and then you did it.

The goal is to become their only representative or advisor. If you meet all their needs, they don't need more than one. In this ideal scenario, when clients buy a new triplex, a new business, or even a new airplane, they are going to tell you about their new investment and ask you to cover it. When changes occur in their lives, whether big or small, there is only one representative they will think of—you.

Understand Your Clients and Their Needs

A big part of unrivaled service is knowing our clients, what they need, and what is important to them and their families and businesses. Some people are less concerned with accumulating assets than they are about protecting what they have. Others are looking to save for their kids' college education. Still others want to buy the house of their dreams. When you position yourself as their Discussion Partner, they will feel comfortable discussing all their hopes, fears, dreams, and goals with you—even things that have nothing to do with insurance.

Sometimes being a Discussion Partner means telling clients information they don't want to hear. Your job is not to save them \$20. You might be able to do that, but your job is to keep them from getting wiped out financially if something bad happens, and they might have to pay more to get the exact coverage they need.

Team Up with Expertise Partners

Now, you probably don't offer every financial service under the sun. Who does? But you can easily partner with other experts to offer everything your clients need. If you are not an expert in bank loans for classic automobiles, as your client's Discussion Partner, you can collaborate with someone who does specialize in that area. This concept aligns with the concept of *open architecture* mentioned in Chapter 1—a financial institution's ability to offer clients both proprietary and external products and services.

If my clients, Mr. and Mrs. Templeton, buy a Cessna airplane, I am going to be thrilled for them, but I'm not an expert in aviation insurance. And if they buy a horse farm, I will be excited for them, but I'm not an expert in equine insurance, either. I won't be able to personally write coverage for their new asset, yet I know people who *are* experts in those areas. This is why collaboration is so important for reps and advisors today.

When the Templetons buy that new plane, here's what I will tell them:

I'm so excited for you! I know you've both been wanting that plane for a long time. I have expertise in aviation insurance right at my fingertips. I just talked with Joe Jones, who has written a lot of policies for personal and business aircraft. Let's set up an appointment so we all can meet at a time that's convenient for you. This is the type of service I give to all our clients. I just want you to know that I appreciate your calling me for everything that comes up in both your personal life and business life. We are here to help you any way we can.

I don't have the aviation expert on my payroll, but I have access to such experts through partnerships and relationships, whether they compensate me or not. I am not handing the client over to the Expertise Partner; I am serving as the gateway to connect my client with that expert. I am the quarterback.

When you surround yourself with people who have extraordinary expertise in all types of professional services, you can tell your clients, "I have partnered with Joe Jones, who is an expert in this field, and we're going to use his expertise on this coverage."

You might charge a service fee (in accordance with guidelines from the carrier and the state department of insurance) if you had to do a lot of work to help Joe on the Templetons' case. Before you even get your first client, you can write out an agreement with your Expertise Partner(s) that stipulates how you will split commissions or fees. By the way, when you write out such agreements, always add this phrase in parentheses: "(as approved by compliance and state law)." It is extremely important that we meet all current compliance standards and all state and federal laws that are in place now and in the future.

People will appreciate that you can recommend qualified collaborators to provide them unrivaled service, and they will tell others. In five years you might have so many people coming to you because of referrals in that specialty area that you can hire your own Joe Jones who specializes in writing aviation insurance, equine insurance, or coverage for other specialty products.

At that point, you can charge a commission. You are entitled to do so because your time is valuable. You wouldn't look for the cheapest surgeon to perform a complicated procedure. You want the best, and you don't expect to get the best service for free or cheap. Sometimes, however, it is appropriate to receive a small handoff fee for making professional introductions like this.

Or you might decide to make the introduction simply as a courtesy and receive no fees or commissions.

Expertise Partners can help you serve clients in any situation you can think of. For example, I have a client who is moving to the Bahamas and I would love to insure his new property there, but I am not licensed to write insurance in the Caribbean. I don't have the products, the bandwidth, or the understanding of Caribbean culture and laws to help him. But I have friends there who do, so I am making sure my client gets what he needs even though I am not the one who is personally issuing the policy.

Maybe you are a representative who specializes in home and auto insurance when one of your clients lands a huge pro-baseball contract and needs help setting up a well-diversified investment portfolio. Or maybe a client inherits millions of dollars from a wealthy family member who dies. Those aren't your specialties, so you refer your clients to the best in the business. In each case you will learn more about other specialties even as you strengthen your relationship with your clients.

Another area where collaboration is helpful is with structured settlements that are often paid to people who are injured. The settlement annuity provides the survivor a payout over a certain period of time. I have been referring clients to experts in this area for more than fifteen years. I have never had enough business in this area to hire a fulltime or even part-time person on my own team. But that doesn't mean I can't help clients who receive those settlements.

Whatever the situation, find the most appropriate professional to help your client. Lawyers do this all the time. A divorce attorney can help clients with divorce, but if they also need a malpractice attorney or a personal-injury attorney, the divorce attorney is not the ideal person to help them. The divorce attorney

can collaborate with attorneys who do specialize in those areas. Again, we are maintaining control over the relationship; we are not handing our clients off to other experts.

As a Discussion Partner, you will find solutions for your clients, and those solutions often will not be the products or services that you make the most money on.

Establish Reciprocal Agreements with Expertise Partners

When your client needs a service you do not provide, it's important to structure your referral to your Expertise Partner as an extension of your own agency or firm. You don't want to simply give your client the other expert's name and phone number. Why not? Because then your clients will become *that* expert's clients.

Establish formal, written reciprocal agreements with all the experts you collaborate with. In those agreements, disclose and specify how fees, commissions, and bonuses will be divided and how referrals to one another will be rewarded.

The Mom-and-Pop agencies that resist collaborating with other experts will become history. Toast. Those representatives and advisors who insist on serving only the clients who need the one or two products they offer will eventually lose their clients to agencies and firms that offer a broader swath of coverage and solutions. They can sit there and work exclusively on 529 plans or mutual funds, but they will not survive once their clients seek out expertise in other areas and discover Discussion Partners who offer to guide them through *every* financial need, concern, and goal they will ever have.

Does that mean folks won't make money doing a monoline business? They might still survive for a while. Even buggies and saddles phased out slowly, but they eventually became obsolete.

Build Partnerships Before You Need Them

I recommend establishing partnerships with experts in specialty areas that people in your geographic area are most likely to need help with—even before clients approach you about needing coverage in those specialties. For example, I live in Visalia, a California agricultural town. But it's located only an hour away from some of the biggest farms in the world. Every once in a while, I run across a mega-farmer who has an airplane. If I discover that several other mega-farmers in my area have airplanes, that tells me I should probably start establishing a partnership with a carrier or representative who writes policies on personal aircraft.

If I lived in an urban area, I probably wouldn't know too many people with an airplane, so that would be low on my priority list. Instead, umbrella coverage and liability coverage for teachers might be high on my list of priorities. If I lived in Texas, it would probably be worth my while to establish relationships with reps who have experience insuring those huge wind farms and then offer my services to the owners of those farms as a Discussion Partner who can cover all their protection needs.

Identify niche areas of service that are unique to your geographical area. Find out which reps are known locally for being experts in those areas. Then pick up the phone and call them. Buy them lunch and start cultivating a relationship. That's how I got to know some of the most respected CEOs and presidents in the insurance and financial services industry. You know why? Nobody else called them. I phoned them up and said, "Hey, I'm not calling to sell anything. I just want to pick your brain on the future of insurance." They get it. Next time they're looking for somebody to help them with a job in the areas I specialize in, guess who they will call? Me. Not because I said anything about it or asked them to, but because I'm inquisitive and have great ideas.

Get to know a lot of experts in a lot of different areas. When you have a client who needs coverage in one of those areas, call the carriers and representatives in your network and find out what kind of coverage they offer and at what price. Pick someone to collaborate with, and represent your clients to make sure they're getting the best policies at the best cost. Oversee the process. Be the quarterback. Technology will advise us where we need to form relationships.

Be ready. Avoid a desperate scramble trying to find an expert to recommend to your clients. Anticipate their needs, and be one step ahead of them.

Tell Your Clients What You're Doing for Them

As a Discussion Partner, it's important to explain exactly what you are doing for your clients and why. For example, if your client has just told you she is buying a new car, tell her how important the declarations page of her new policy is. Your conversation can go something like this:

Monica, I'm really happy to cover your new car. Man, that's an awesome car. I'll bet you're really happy. I'm happy for you. I'm going to send a note over to the lender because if I don't do that, they're going to force insurance on you, and that's the worst kind of insurance. It costs two to three times the normal rate. You don't want that.

You're going to get a copy of the policy in the mail. It's important that you keep the declaration sheet. A lot of representatives call them "dec sheets." It's a declaration of what's covered and at what amounts. It's the important part of the policy. Some of it is just advertising, but they also include a lot of information about your policy

because they have to, by law. Be sure you keep that declaration. I'll have a copy for you here in my office if you ever need it. You know how it is—whenever you need something, you can rarely find it. That's the kind of service we provide. We always keep your important information accessible in case you need it.

Now, do you have any questions about your policy?
Okay, have a great day.

I told the client what to expect. I told her what I am doing for her. So then, when I ask if I can call her at some point, she will be okay with that. She won't be thinking, "I don't want to talk to this joker. He doesn't do anything. He only calls me when he wants to sell me something."

Telling clients exactly what will happen next is a fundamental element of providing unrivaled service. We will discuss this concept more in Chapter 4.

Contact Your Clients Before They Need You

Another vital part of service is calling clients before they need us. We don't want them to call us only when they are in the middle of a crisis. We need to conduct a total review, a comprehensive analysis, and a complete assessment of every client's household and business. That will help ensure that we understand all aspects of their financial situation. It will also keep our unrivaled service at the top of their minds. Then, if a crisis does occur, we are the ones they call. Your goal is to have them refuse to make any decision or take any action until they speak with you or someone in your office.

Introduce Clients to the Team Members in Your Office

It's important to introduce your clients to the knowledgeable, capable team members in your office. That way, if you're not available when a client calls, someone else can take that call and provide sound advice without delay.

You can say, "Danny, I want to introduce you to Sally. Many of my clients call Sally when they have an issue with their auto policies. Actually, she knows more than me—she wrote the book on auto insurance. I also want to introduce you to Nikki. She is our claims concierge. She's the best. I had a complex claim the other day, and I turned it over to her. She knows more about claims than anybody. Both Sally and Nikki have the same license I do, and you have my permission to call either of them directly."

By encouraging my clients to call on my team, I don't have to answer every little question that arises, which is impossible. If they call me directly and it's an issue someone else on my team can handle, I will say, "Danny, that's a great question. This will be easy. Hold with me for a moment. If it's easier for you, I can get the information from Nikki and call you back on a scheduled phone appointment. She has the same license I do, and she wrote the book on claims."

Touch Often, but Not Always to Sell

Anybody can write insurance. Anybody can fix a bill when it gets screwed up. Anybody can help with a claim. But we can pay out a million dollars on a claim, and the client will leave three months later. We feel like we have to call the client up and say, "Hey we just paid out a million dollars on your claim. Why did you leave?" But we shouldn't have to ask. If we had been in close contact with the client throughout our business relationship, reminding him of the unrivaled service we provide, he might not have left.

Part of great service is perception, which requires repeatedly telling people what you are doing for them. If you don't, somebody else will. Insurance companies spend billions of dollars to try to keep their brands fresh in your mind.

Years ago, a marketing guru named Dr. Jeffrey Lant said it took seven “touches” a year to keep clients aware of your brand. It's the same with advertising: someone needs to see your ad, social media posting, or email at least seven times before you become a viable option for them.

The next time you run into one of your clients at the post office or in the coffee shop, say, “Hey, Tom. It's good to see you. I pulled your file out the other day. I'm always thinking about you. Can I call you? Not to sell you anything—I just want to chat.”

Tom will probably say that's fine. But instead, let's suppose you tell him, “Hey, Tom. It's good that I ran into you. I want to talk to you about selling you another policy. Can I call you tomorrow?”

Tom will be thinking, “I'd rather poke my eyes out.”

So what are the best ways to keep in contact with your clients and prospects? Often, you can pick up cues from clients that tell you they are interested in what you have to offer. Let them direct you. Let your intuition guide or nudge you.

This is true of both sales opportunities and farther-reaching serendipitous events that occur in our lives. The pastor of my church calls this “the God nudge.” Don't discount it when you get that strong feeling, that intuition, about timing or an action to take. Maybe you see an article online that discusses the very thing you were talking with your client about the previous week. Email it to her and say, “I just saw this article and thought of you.” That is an individualized, personal “touch” that she knows you intended

just for her. It will be more meaningful to her than a mass email blast that you send out to everyone on your distribution list.

In our highly competitive business world these days, seven “touches” may not be enough. The new guideline is seven to thirteen touches. And, according to Microsoft, 89 percent of salespeople give up by the fourth “touch,” so they convert a dismal number of warm leads into clients.¹¹

Make it your mission to “touch” your customers seven to thirteen times a year. Touch them using technology, with the omnichannel, with unrivaled local service. Touch them at least seven times and hopefully twenty times—but not in an attempt to sell them anything. Instead, touch them in personal, meaningful ways that are unique to their situations, preferences, lifestyles, and personalities.

This chapter is unabashedly anti-selling. If you sell to your clients in this capacity, you are self-serving. This goes against what a lot of salespeople are taught, but you have to give to get. Jim Rohn, who was known as “America’s foremost business philosopher,” said, “Giving is better than receiving because giving starts the receiving process.” You can’t give with the objective of getting. Give because you genuinely want to serve your clients in the way that best suits their needs. When you do that, the profit will come.

Remember, we are focused on service, not price. Today, the greatest representative on earth is getting a call from a client who says, “Hey, my insurance went up twenty-five cents. You want to explain that to me, Mr. Smarty Pants?” It happens every day. (I know you’re laughing as you read this because it’s true.)

Always Continue to Learn and Improve

Regardless of whether you work with Expertise Partners or not, you still need to be knowledgeable about a wide variety of

products and services in areas you don't specialize in. This enables you to decide on the best possible way to serve your clients through relationships, joint ventures, and the counsel of in-house experts who are on your payroll. I don't do estate planning, but I work with one of the best estate planning attorneys in California. My CPA is one of the best in California, too.

Always strive to grow and improve through continuous learning. It's easy to put this on the back burner, so make it a priority like you would a client appointment, a lunch date, or a dinner commitment. Every day, commit to reading books, listening to books while you're driving, or watching YouTube videos, podcasts, or webinars.

How Will You Evolve?

1. **Understand every client's unique situation**—What do you do to truly understand your clients and their needs? Is an annual review sufficient, or do you check in with clients periodically to see how their needs have changed?
2. **Identify potential specialty areas where you live**—If you were to team up with Expertise Partners, what types of expertise would you look for, based on your geographic area, industries and hobbies that are prominent there, and other factors? Have you ever turned away business because you didn't offer the type of coverage someone needed?
3. **Remind your clients about all you do for them**—How thoroughly and how often do you tell your clients what you're doing for them? Don't think that you're insulting their intelligence. What you are doing is reinforcing the fact that you are providing valuable service to them and

not just contacting them when you want to sell them something.

4. **Encourage your clients to depend on you**—Do your clients value your guidance, advice, and unrivaled service so much that they will contact you before they make a financial decision?
5. **Empower your team members**—Are your team members licensed and capable of handling your clients' needs if you are not available? When you get them licensed and encourage your clients to call them with questions and concerns, what would you do with the extra time you create? How could you improve and grow your business?
6. **“Touch” your clients often, but not to sell to them**—How well and how often are you “touching” your clients? Are you touching them through many different venues and in meaningful ways that keep your name at the top of their minds? How much effort do you put into making those “touches” personal and unique to each client? Are all your “touch” systems automated? They need to be.
7. **Constantly increase your knowledge**—How committed are you to lifelong learning? If you were to commit one or two hours per week to self-education, what would you choose to learn about, and in what format (audio CD, book, podcast, etc.)?

CHAPTER 3

Earn the Right to Represent More Products for More Clients' Households

Traditionally, our industry has been considered a sales profession . . . and it feels like it. The old stereotype of people avoiding the insurance salesman as he approaches isn't too far from the truth. Instead of pushing our products and services on people, we must *earn the right* to represent more products in their households.

When you focus on service first, you're not selling, so clients never feel like they need to escape through a back door to avoid your sales pitches. The message we are constantly delivering to our clients, in actions and words, is that we are meeting their financial needs by serving them in the way they want to be served. We tell them exactly what we are doing for them and what will happen next.

Service Differentiates Brands

Since there isn't a whole lot of difference in the products that insurance companies offer, why would a client choose your agency, firm, carrier, or distribution alliance over another one? Service.

Think about the retail world. Lower-end retailers might sell the same shirt as Nordstrom does for a lot less. So why would someone spend more money to buy the same shirt at Nordstrom? Service. You can walk into a shopping mall and find that same shirt in several different department stores, each with a different

price based on the way the store does business. But Nordstrom's reputation for providing exceptional service is enough to attract customers to do business there.

Here is just one example. At a Nordstrom store in West Hollywood, California, personal shoppers do all the work instead of sending customers to wander through endless racks of clothes. They help patrons choose apparel and accessories while pampering them with extras such as a manicure or a glass of beer or wine as they look at possible selections.¹²

Even the most basic mechanics of shopping are about to change. MasterCard recently partnered with *Marie Claire* magazine to open a temporary pop-up shop in Manhattan that featured Neiman Marcus stylists and merchandise. Dressing room mirrors recognized and displayed the clothing that shoppers tried on. Instead of checking out at a counter, shoppers could simply touch the item's image on the mirror to place the dress or coat in a virtual cart on their mobile device and then pay for the purchase. Shoppers didn't have to wait until the store opened if an item in the display window caught their eye. They could tap the glass, type in their phone number, and a text would be sent to their smartphones providing a link to a mobile site where they could make a purchase.¹³

Let's be the leaders in our industry who figure out ways to make our clients' lives easier.

Tell Clients What to Expect Every Step of the Way

In the previous chapter, I explained why it's important to let clients know what will happen next. It puts their minds at ease, which is a fundamental element of providing unrivaled service.

It also cuts down on a lot of follow-up calls. If the mortgage company didn't get a client's evidence of insurance and sends her

a letter saying so, she will probably call our office in a panic. But if you keep your client in the loop every step of the way, you minimize surprises or panic. When your client buys home insurance from you, show her that you have sent the proof of insurance to the mortgage company. Then say, “Hey, if your mortgage company calls you and says they didn’t get proof of insurance, you know I sent it. You don’t even need to call me. Just pop a copy of their letter in the mail to me, or text me a picture of it—whatever’s easiest for you. We’ll make sure the mortgage company has received it. Sometimes these things happen.” This stops all the “nuisance calls” that come in when we don’t do a good job of explaining what’s going to happen next.

Yet things don’t always go as planned, of course. If something gets screwed up, people want to know about it, and they want to know what your resolution strategy is. If something does go wrong, let your client hear it from you. Don’t let them hear it somewhere else. And again, tell them what will happen next in getting the situation resolved. People do not expect perfection, but they do want to know what’s happening, how it will affect them, and what will happen next. We don’t need to be perfect, but we do need to strive for excellence.

It takes mere seconds to alert clients, in advance, of what *will* happen and also what *could* happen. The work I do in advance helps me later because I don’t get all the follow-up calls I used to get. When clients know what’s going to happen, there is little room for confusion or uncertainty. And then, when something does get messed up, you calmly explain how you are going to fix it. Computers and people are great, but they’re not perfect. Mistakes happen. We are here to prevent them, and in lieu of that, to fix them.

Be Confident in Yourself and Your Recommendations

As you remind your clients of the ways you are providing service to them, be persistent but not pushy. Be confident but not a braggart. No one responds well to high-pressure, aggressive tactics, much less arrogance. But we all want to see that professionals whom we are paying for advice are confident. If a surgeon is going to operate on my shoulder, I don't want him to ask, "Well, what do you think I should do?" I want him or her to offer recommendations in a confident manner.

My mentor always told me, "Troy, don't ask clients what they think. You're the one educated in the way of insurance, so tell them what they need." This goes all the way back to the time of Cicero, a first-century Roman politician and lawyer. It has been said that people liked Cicero and went to hear him speak. But when they wanted a leader, they followed Julius Caesar, who took swift action to bring about radical change. People want to be led. They want decisive action. They want guidance. And that's what we provide as Discussion Partners.

Whether I am working with a small local business, a medium-sized business, or a Fortune 500 CEO who has fifty thousand people working for him, I recommend a plan with confidence, but not arrogance. I use the word "Let's" when making recommendations because it suggests that we are working together: "Let's design a plan that will help you mitigate your risk, give you the best coverage at the best cost, and make sure you don't have gaps in your coverage. There's always going to be something that's not covered, but let's avoid having a gaping hole."

Everybody's money is green, and whether they have a lot of money or just a little, they all want respect and sound advice. But we won't click with everyone. Some clients just won't like us, for whatever reason. And that's okay. The world is not conspiring to

do us wrong, but it *is* changing. In response, we need to change the way we look at everything and have realistic expectations.

Keep looking. There are three hundred million people in America and seven and a half billion people in the world. If we can't find great clients who enjoy doing business with us, we're not looking very hard.

Avoid Using Industry Jargon with Clients

In my world, we don't use insurance lingo; we talk in plain language. Some representatives tell their clients, "Let me tell you what your BI and PD limits are." Oh, my goodness. Who outside of the insurance business knows that BI and PD mean "bodily injury" and "property damage"? Yet reps throw these terms around like clients know what they mean, and it creates distance between them.

People are hesitant to admit that they don't understand something; they don't want to appear stupid. Many will never ask, "What do you mean?" Instead, they nod their heads in agreement, but walk away feeling confused, intimidated, and uncertain. Clear communication bridges that gap and gets everyone on the same page.

"Endorsements" is another term most clients don't understand. So I tell them, "You're going to get a lot of mail. The law requires that we send it to you, and the company/carrier requires it. Just general good business requires it. You've got to keep certain things, and endorsements are one of those that should be at the top of your priority list. An endorsement is sometimes called a 'rider.' It's just an amendment or addition to your existing insurance contract, and it details any changes in the terms of your original policy. Do you have any questions about what an endorsement is or why it's important?"

Make Smooth Pivots

When I first started in this business, I was trained that when I was revising an auto policy to remove a client's old car and add the new car, that was when I should ask people about life insurance. Well, that was a stupid idea then, and it's stupid now. If a client is talking with you about covering her new car, she isn't thinking about life insurance. She's thinking about her car. Maybe two out of one hundred people will say, "Yeah. I'm interested. You piqued my interest." But ninety-eight of them are going to think, "You're an idiot. I just want to drive my new car, and I need to get it covered quickly. I have to be at the ball game in two hours."

Look for the right time and place for a "pivot"—a transition in conversation to the next appointment or the next line of coverage. It's always easier to pivot when a sale has already been made.

The way I would make a pivot in the previous scenario would be to set the stage for a future call to talk about life insurance. I would say, "Lisa, I am so excited about your new Audi. It's going to be awesome. You're going to have a great time driving it. I know your mind is on your new car right now, but it is important that we take care of your life insurance too. How about if I call you tomorrow to set up some personal time to talk about it? That way, I can give you the service you desire and have every right to expect, and you won't feel like I'm trying to sell you something every time I talk to you. Let's set up a phone appointment that's convenient for you. How is two o'clock?"

I am not selling Lisa something. I am just getting a commitment from her for an appointment. Then, when I call the next day, I say, "Lisa, as promised, I am calling you at two o'clock." That is a subtle way to remind your client that you are doing what you said you would do. And then I ask, "Is this still a good time for you?"

If the client says yes, you can proceed: “I just want you to know, whenever I set a phone appointment, it’s your time. That’s what’s important. As I told you yesterday, I’d like to visit with you about your life insurance (or business insurance, financial services, umbrella policy, etc.). I am not trying to sell you anything. The reason for my call today is to make sure your coverages are up to date and determine who you have them with so that in the event of an emergency, I can help your family collect from every avenue available.”

That’s a valuable service, wouldn’t you say?

Eventually, I want to discuss every potential line of coverage with every client. First, however, I need to discover everything related to their risk profiles. If someone owns a factory that makes nuclear bombs, I need to know that because a lot of risk is involved there. I also need to know people’s current desires, aspirations, goals, dreams, fears, and concerns so I can help get them where they want to go. After I protect their assets, then I move forward with a plan to grow their financial futures.

If you have a cracked tooth, a loose tooth, a cavity, and an infection in your gums, your dentist isn’t going to fix all of them in one visit. She might fix the cavity and infection first and then make appointments for the other issues. She won’t wait two years, though; she will get everything done within a few days.

Similarly, before I set up appointments to discuss each individual line of coverage for a new client, I first want to assure the client that I intend to represent him or her with every type of coverage needed. We might not get it all done right away, but we won’t put it off for two to five years like in the old days. Why? Because it never happened.

A sense of urgency exists here. It's important that our clients know we are not going to try to sell them something every time we speak with them. But on the other hand, I am not going to sleep at night until we're representing every product a client owns. We do not want to sell to them; we want to represent them. By positioning our services consistently over time, our clients will not be reluctant to call our offices and ask for a correction or get a quote.

By talking with clients about service and explaining what you're doing for them—without trying to sell them something—they will begin to trust you more. They won't feel like they have to keep their guard up when you call them. By educating and informing your clients about their options and the importance of having sufficient coverage, you are leading them to make the decisions that are best for them and their families and businesses. There is no sales job. It's "Do you want it or not?" That's a pretty easy choice.

Prefill Any Information You Can

As a client's Discussion Partner, we should not rest until we have covered every item of value he or she has. To expedite this process, we need to prefill our forms with whatever information we have access to. It's easy to find out on the internet where people work and any businesses they own. You want to cover every potential risk that person has regarding protection and asset accumulation.

People like to get these things out of the way as quickly as possible. After we get a clear picture of what and where all their coverages are, we can meet with people for half an hour at a time to effortlessly build a plan.

Offer and Educate, but Don't Push

Our job is not to cram coverage down people's throats. Our job is to make people see that there might be a different way of looking at things than they are accustomed to (or comfortable with). We need to educate them about why various coverages are important and offer them the best coverage at the best possible cost and, of course, unrivaled service. But if they don't want it, it's not our job to push them into it.

For example, people don't like to acknowledge that they are going to die someday, so many are uncomfortable discussing their need for life insurance. They often say, "No, I don't want to think about that right now."

When that happens, I respond by saying, "I totally understand, but you do agree with me that it's important, right?"

Most clients realize at a cognitive level that life insurance is important. People die every second of every day, sometimes at a young age. Yet my job is just to offer. The client's job is to make the decision. I'm going to keep offering life insurance to people until they state that it is of zero importance to them. If the client insists it is not important, I move on to the next person.

Maybe the client already has life insurance. If so, I will offer to review any beneficiary changes. I will do all the things that the representative who sold the policy doesn't do.

Or a single person might say, "I never had children. I have no family members. I don't need life insurance."

I ask such people to consider "living benefits"—a type of insurance policy that enables the policyholder to cash out part of the policy if he or she is diagnosed with a terminal illness. That money can make life much easier if the person gets sick and can no longer work. The balance of the life insurance death benefit can go to his or her business, key employees or all employees,

friends, a favorite charity, a church, a humane society, a children's hospital, or another worthwhile cause.

In the end, I'm not going to make the decision for people. Every individual must make his or her own decisions based on due diligence and the knowledge, expertise, and advice I bring to the table through me, my team, or a joint venture.

As previously mentioned, we want our clients to know that all the information they need is easily accessible. They should know that even when we're not in the office, our licensed team members and executive assistants can assist them—especially during the times when they need us most. I like to tell them, “When you come in, let's make sure your information is up to date. That way, if I'm not in the office, my team members also have access to your file, with your permission, on where you have your coverage. That information is confidential, but God forbid something happens to you, we will help collect from every avenue available. Now, do you want to come in tomorrow, or would the next day be better for you?”

That last question is important because it prompts the client to make a choice between tomorrow or the next day—not between coming in or not coming in.

Remember, you are earning the right to represent your clients with every line of coverage they need. You are not selling; you are educating your clients, offering them the options you think are best for them, and addressing their concerns and questions along the way.

How Will You Evolve?

1. **Distinguish yourself from your competition**—If you are selling pretty much the same products as your peers, what makes a client choose you over them? What types of personalized, above-and-beyond, unrivaled service do you offer that differentiate your agency from others? If you can't think of specific examples, sit down and make a list of ways to begin setting your agency apart. Then communicate and discuss those distinguishing factors with your licensed team members to decide on the best way to deliver the services to your clients.
2. **Advise clients with utter confidence**—How confident do you and your team members sound when offering recommendations and advice to clients? Is there any hint of uncertainty in communications with clients? Evaluate every team member in this area. If necessary, practice with your team members to teach them how to come across as confident, but not pushy or arrogant.
3. **Communicate with clients in plain language**—Also evaluate your team members in the area of talking with clients using plain English and avoiding industry jargon. Again, use role-play in areas that need improvement.
4. **Role-play and polish your pivots**—Evaluate the “pivots” that you and your team members make when trying to sell clients a new line of coverage. How smooth are the pivots? Work on smoothing them out, if necessary. Focus on setting appointments for specific discussions instead of trying to make a new sale on the spot.

5. **Educate your clients**—How adept are you and your team members at responding to clients who say they don't want or need a certain line of coverage? Work on educating your clients and prospects and offering them the best options without sounding forceful or demanding. Practice those conversations, if necessary.
6. **Prefill details when possible**—To what extent do you prefill information in your fact finders so that you use less of your clients' valuable time, and yours? Make it a point to begin doing more research online and prefilling forms and applications when possible.

CHAPTER 4

Make Concierge Service the Standard

When you are staying at a hotel and need to make a restaurant reservation, get recommendations for local attractions, book transportation, request porter service for your luggage, or buy tickets to special events, whom do you go to? The hotel concierge.

The role of a concierge originated in France as the person in charge of the entrance of a building who served as the owner's representative, greeter, and doorkeeper. The role has evolved as the person in a hotel or apartment building who handles special requests from guests, screens visitors, and accepts deliveries for tenants.

In recent years, the concierge concept has made its way into some physicians' offices. It's an extra level of service that is typically geared toward busy, higher-touch consumers. For an extra fee of \$1,000 to \$5,000 or more, patients can contact their physician at any time and schedule same-day appointments.

We are seeing the concept in the health insurance industry, too. A concierge-type insurance provider connects you with someone on the company's staff who handles the cumbersome, time-consuming tasks and details that go along with filing insurance claims. The extra level of service makes customers happy, and it can prevent future losses for the company because patients' needs are more carefully screened, and the concierge provides health recommendations to patients based on details about their medical histories. The idea is to keep patients better educated,

and thus healthier, which can reduce the number of health care services they use.

We should be providing concierge service to everyone as our *minimum* level of service—not for a premium price and not just for higher-income clients, but for everyone.

Encourage Clients to Tell You About Service Issues

I have written book chapters, produced videos, hosted seminars, and advised carriers on the topic of concierge service. It's not option anymore; it's a must. If you are going to run a high-touch service organization with unrivaled service, you must offer personalized service every step of the way. As our industry becomes more automated, more global, and more impersonal, concierge service is the only way to offer people unrivaled service, support, encouragement, guidance, and advice.

Some companies send out automated surveys, impersonal videos, or texts to let new clients know how happy they are to have their business and to inquire if the clients are happy with the service so far. That is not acceptable.

Our team members should call new clients and say, "Hi, Jeff. Troy and I want you to know how happy we are to have you on board so we can represent you. Have you been happy with your experience with us so far?" Then they wait for a response.

Close the conversation by saying, "Jeff, if at any time you have questions, concerns, or complaints, please let us know so we can resolve them immediately. We don't anticipate any problems or issues, but sometimes there are computer glitches or other errors. If that happens, we want to know about it. We want to know in advance if you have questions about service, coverage, and cost. Is there anything you'd like to tell me about how we can improve our service?"

You do not want to run into a client while you're having lunch with your mom and have him tell you, "You're a real loser, buddy." After you gasp in surprise and ask what's going on, the client tells you, "Oh yeah. I had a claim five months ago, but no one from your office ever knew about it. I wasn't happy with the experience. It wasn't smooth, and no one called me after I filed the claim or even after the claim was closed."

Once is too often for this type of client experience. We must provide our clients with concierge service, beginning with when they purchase their coverage, to the time they renew it, to the time they file a claim. Somebody needs to be in contact with them constantly, holding their hand. Having to file a claim is devastating. Even if no one was hurt, it's disheartening and disturbing.

That's another reason for being on the offense—it reduces anxiety that clients will feel if they are stewing about an unresolved issue, reliving it over and over, rewinding the movie and playing back that bad experience. When they do that, the issue gets exponentially bigger.

It's uncomfortable for people to personally deliver bad news. Rather than tell you directly, they are more likely to tell other people about the terrible service they received (including negative reviews online). One way to keep that from happening is to remind your clients often and in person that if they are not happy for any reason, you would like to hear about it from them personally so you can address the issue quickly and completely. For those who might still be reluctant to look you in the eye and express dissatisfaction, you might also provide a method to submit anonymous feedback to *you* rather than to their friends or social media sites.

It's essential to maintain an open line of communication, especially at the beginning of the relationship. We like positive

feedback, but we also want to know when there are any issues so we can get out in front of them.

Stay on the offense. Create a roadmap with specific steps for going from the delta where you are now to a point ahead of the rest of the industry. In a concierge firm, 95 to 97 percent of the clients are happy. And the three to five percent who have concerns don't remain upset because they get their issues resolved within 24 or 48 hours, or whatever the service-level agreement is with a client. We're on offense, not defense. That's how you catch issues.

Explain Exactly What Will Happen Next

People want us to make their lives easier. That's why they pay us for advice and guidance. Again, they want to know what will happen next. Like me, you probably hear the question "What do I do next?" hundreds of times a week. People want a detailed play-by-play of what to expect. They don't want any surprises.

To accomplish this goal, take these steps:

1. Assess your agency, representatives, staff and team members, and clients. What processes need to be streamlined? Where are the gaps in clients' coverage?
2. Identify what each of your clients wants in terms of service, sales, and claims.
3. Leave a placeholder for developments you don't know about yet, such as technological advances. Be ready to respond to changes by adjusting your processes.
4. Create a roadmap with specific steps to go from the delta to where the world is likely to go.

We still need input from our clients, but we want to assure them that we will do the heavy lifting. We need to tell them, “If you set aside some personal time for an appointment one day next week to provide some important information about your protection through insurance and your financial services needs and goals, I will worry about it the other 364 days of the year. I don’t want you to be concerned about any of these things. That’s why we’re here.”

Be an Expediter

Busy, top-notch restaurants have an expeditor on staff. In this concierge role, the expeditor works with the kitchen, the waiters, and the customers to make sure the food is presentable, the entire order was prepared as the customers ordered it, and all the plates for one table are delivered at the same time. This concierge role provides abundant attention to customers and helps ensure that everyone is happy with their dining experience.

That sensation of contentment you have after walking away from a fine dining experience is what you want your clients to feel after working with you. If you learn to be an expeditor of their business affairs, you will stand out from all the other fast-food, serve-yourself, hope-for-the-best competitors vying for their business. They will look forward to their next visit.

Script Everything

In 2003, I developed the Korsgaden International Concierge Complete Retention and Life Insurance Selling System. It includes all the tools that agencies need to implement a step-by-step method for enhancing service for clients, increasing life insurance sales, and boosting client retention. Through this program, you hire a new team member to be a concierge with only one role: to

contact clients every day to (1) ensure their satisfaction and (2) set appointments to discuss life insurance.

The system contains scripts, letter templates, and A-to-Z instructions on how to convert a client call into an appointment and ultimately into a sale. It is crucial to have a continuity book that includes scripts for everything:

1. The way we answer the phone;
2. Outbound service calls;
3. Annual reviews;
4. Responses to questions that enable us to personalize information to fit the client and his or her situation;
5. Discussions with clients that will:
 - **Find out if the client is happy with recent service and set up an appointment for a review during a personal visit as needed;**
 - **Gather information about the client and his or her situation during an in-person meeting, including beneficiary details, current coverage, and credit insurance;**
 - **Let the client know you will help the family claim any benefits in the event of a tragedy;**
 - **Offer the client things to think about for his or her personal or business coverage and planning.**

Why script all these things? It ensures that everyone in our office is relaying consistent information to our clients. Everyone is

singing from the same songbook. It also takes the guesswork out of our communications and ensures that we come across as confident. However, make sure your responses don't sound canned. It's important to maintain a genuine and caring demeanor and to personalize the script as necessary to fit the client and his or her situation.

Industry expert and consultant Garry Kinder, along with his brother, Jack, trained me back in the 1980s. Garry says, "Ad libs are for amateurs, and all pros practice." We're going to get the same basic questions every day, and we should deliver consistent responses to them.

It's also important to anticipate clients' objections or concerns and get them out of the way before they become problematic. We want to know about them and respond to them immediately. That's why we're here.

When you use scripts and practice (role-play) the way you and your team members handle situations, then everything will sound like a conversation—not canned, but relaxed and conversational.

Emulate Your Client's Style of Speech and Dress

In a fast-paced and highly competitive world where customers expect personalized attention, the little stuff matters more than ever. People trust businesses they feel comfortable with, and they tend to be more comfortable with people who are like them. Mirroring your clients' speech and dress is one way to put them at ease.

As you know, people from different areas of the country speak differently. Even though I grew up in the middle of California, I'm an East Coast kind of guy who talks about twice as fast as some of the other people in our office. Personally, I like to deal

with somebody who talks fast like I do. But sometimes I'll be in a conversation and can tell the other person is thinking, "Man, you scare me."

People want to deal with somebody like them in terms of communication style. Keep that in mind as you use your predetermined scripts. The words are the same. So if you tend to speak slowly and a fast-talking lady calls in with a question, try to increase the cadence of your speech to match hers. And if you are a fast talker, but an older gentleman calls in with a question and is speaking slowly and deliberately, try to slow down the pace of your speech. Mirroring their speech will not only make them feel more comfortable, it will also help make sure they understand what you're saying.

Appropriate dress is another factor to consider when meeting with clients in person. A friend of mine in the business told me that he once went out to see a farmer. So instead of wearing a suit like he usually did, he put on boots and jeans. When he got to the farm, the farmer said, "Hey, don't you normally wear a suit and a tie?"

The insurance rep said, "Yes. Normally I wear a tie every day, but I was coming out to see you."

The farmer was offended: "Am I not good enough for you to put on a suit and a tie?"

In general, it's better to be overdressed than underdressed. If you are unsure about how to dress, call your client and ask what is appropriate. You can say, "I'm coming out to see you today, and I have some other appointments, too. I'm going to have on my suit and tie [or a dress and heels]. Are you okay with that?"

The client might say that's fine. Or he might say, "It's awfully hot and dusty today, and I'd really like to show you my barn while you're here. How about if you wear jeans and boots?"

My clients typically expect me to arrive in my suit and tie. After I get there and we begin talking about business, I take my jacket off and loosen my tie. It is a subtle way to make a dramatic point that we are getting down to serious matters.

Provide Service Your Clients Aren't Expecting

Providing concierge service means doing things for clients that they aren't even expecting. For example, when someone dies, we can help the family members notify all the credit card companies and banks. We can act as their executive assistant to collect money on checking accounts or on accounts that aren't even life insurance. Sometimes there is a death benefit on the deceased person's credit card that no one knew about. I've seen many families and businesses collect thousands of dollars just because an agent sent out a letter and made some calls on the client's behalf when he or she was too devastated to worry about such things. That's an awesome service, wouldn't you say?

Every year when I have my physical and heart test, my doctor and/or his executive assistant personally accompanies me across the street to the place where I get my bone scan and EKG—not just to the lobby or to the waiting room. That's how Cedars-Sinai provides concierge service.

How will you?

How Will You Evolve?

1. **Encourage client feedback, whether positive or negative**—How do you know when a client is questioning whether your service is the best it could be? Do you and your team members feel like you'd rather not know? That can be damaging. To provide concierge service, you must remind your clients often that you would rather hear

directly from them if they are disappointed than to find out from someone else. Be on the offense. This is one way of showing your clients how much you are striving to give them unrivaled service. What will you do to begin letting your clients know they should come to you or a team member with any complaints or concerns?

2. **Always explain what will or could happen next**—How well do you and your team members explain to your clients what is going to happen next? This is an important way to reinforce your goal of providing them with unrivaled service. It also can reduce “nuisance calls” to your office. What is your plan for making this a standard part of your service offering?
3. **Script everything**—Do you use scripts to ensure that everyone in your office is describing your services in a consistent way? Develop scripts for the most common client interactions. Have everyone in your office role-play them so that they sound confident and consistent, but not canned, in their communications.
4. **Enforce a dress code in your office**—Jim Rohn said, “Don’t take the casual approach to life. Casualness leads to casualties.” Do you enforce a dress code in your office? It is better to be overdressed than underdressed. Dressing professionally conveys that you respect yourself and your clients. Consider raising the bar on the way your team dresses when meeting with clients.
5. **Figure out ways to provide unexpected service**—What specific things can you do to offer clients a level of service they weren’t even expecting? How can you send a

message to your clients that your team goes far above and beyond what anyone else will do to meet their needs? In other words, what are the unique and impressive features of your concierge service?

CHAPTER 5

Evolve in Quantum Leaps with Technology

We have never lived in a more exciting time marked by such incredible innovation. Technology is now advancing to the point where retina scanning, fingerprint recognition, and facial recognition in crowds have evolved from science fiction concepts to reality.

Twenty years ago, who would have ever thought we would be communicating via iPhones or storing our data in the cloud? We must be open to whatever might evolve. The first time people saw a commercial airliner rise to thirty thousand feet in the air with three hundred people on board, they must have thought a god was flying across the sky.

Technology is helping us solve all types of problems that plague humanity. In the biomedical research field, for example, automated robots now have the tools to grow imitation, simplified human organs. Using pluripotent stem cells (stem cells that can become any type of cell), in twenty-one days those robots can finish a complicated experiment testing the effects of a drug or genetic manipulation on human-like, lab-grown kidneys. The process is much faster and more reliable than when humans grow the same mini-organs. The shortened experimentation times have enabled scientists at the University of Washington School of Medicine to use the robots to test a large number of kidney organoids all at once to learn how different compounds affect polycystic kidney disease, a common condition with serious symptoms.¹⁴

Innovation in the business world may be less dramatic, but is still noteworthy. Less than ten years ago, corporations began to use “tele-presence” technology that enabled people in different offices across the globe to communicate via audio at one time. The service could cost more than \$1 million when it was first introduced. Today, this technology has advanced to the degree that I can pay \$60 to \$70 per month and have one thousand people participate in the same videoconference. I can record it. I can transcribe it. I can make it go through a meat grinder and produce a bouquet of flowers.

We know technology will continue to evolve faster than ever, and we don’t know what it will look like. But as soon as new technology appears, we must take advantage of it and capture its momentum to evolve our business processes and customer service by quantum leaps.

The Market Will Adjust to Cover New Developments

Because we don’t know what the future will look like, we cannot prepare for specific scenarios. But if a new trend becomes a risk, the market will step up to cover for it. It always has. I have no reason to believe it won’t. And once that coverage becomes scalable, it will become less expensive. If only two people need a specific type of coverage, it will be expensive. But when a million people need the coverage, the risk is shared, and it becomes much more affordable.

It’s amazing what can be done by scaling something. When you make it available to everyone, it becomes less expensive. When the internet and email first came out, we had to pay a gazillion dollars for it. This was true of TV technology, too. What we paid \$5,000 for ten years ago, we can now get for \$800, and now it’s ten times better.

For example, loss of data used to be a small matter. Now it's a major concern, and a lot of people share this risk, so there is coverage for it. Business owners can buy electronic data coverage for a minimal amount of money. Those policies protect the valuable intellectual property companies work hard to create and maintain.

The terminology for this type of coverage varies, depending on the carrier. Current terms include “data breach insurance coverage,” “data compromise insurance coverage,” “cyber insurance coverage,” and “data insurance coverage.”

According to the International Risk Management Institute, insurance contracts currently cover various types of third-party liability-claim scenarios involving lost or corrupted data. Here are three such types of risks:¹⁵

- **Risks caused by eBusiness activities, such as a retail site being hacked into and customers' credit card information being stolen;**
- **Risks caused by the performance of professional services, such as installing a computer-related network that corrupts data on customers' computers; and**
- **Risks caused by media activities, such as when a broadcast or download corrupts the computer of the person who downloads it.**

As future innovations unfold, additional coverage will emerge as needed.

Big Data: Big Pools of Information to Help Us Do Things Better

The term “big data” can sound intimidating, but really, it just means a huge pool of data that can help you make business decisions in an informed way. One definition says that “big data” refers to extremely large data sets that may be analyzed computationally to reveal patterns, trends, and associations, especially relating to human behavior and interactions.

Our industry is already using big data to help us predict and manage risk and make better management decisions. By the end of 2016, two-thirds of U.S. property and casualty insurers were using predictive models for underwriting and risk selection, an increase of more than ten percentage points compared to 2015, according to the global advisory, broking, and solutions company Willis Towers Watson. Results from the company’s 2016 Predictive Modeling Survey found that big data, notably from vehicle telematics and the Internet of Things (IoT), are opening many new potential opportunities for carriers.¹⁶

The study revealed that although personal-lines carriers continued to take the lead on predictive modeling, more commercial lines intended to build their capabilities within the next two years in areas such as claim triage, fraud potential, litigation potential, and case reserving. A senior consultant and actuary for Willis Towers Watson noted, “The survey findings suggest that these could become increasingly important areas for performance differentiation, building on what many commercial lines carriers believe models have already helped achieve.” To sustain predictive model use, the report noted that insurers must unlock the value of data. Insurers said that, in the next two years, they expected big data to help them with pricing, underwriting and risk selection (92 percent), better management decisions (84 percent), and loss control and claim management (76 percent).¹⁷

You can see how those who fail to embrace this type of advancing technology can get left behind. Yet customers don't care about big data unless it helps them get their coverage written sooner, gets their claims paid faster, and gets them the best coverage at the best cost. They just want to know what affects them personally. They want to know that if they have an accident, an adjuster is on his or her way to their location. They want to know that their policy has been issued within minutes and will be delivered Tuesday before 10:00 a.m., whether through the mail, digitally via email, or by five doves with ribbons, bows, and balloons. If technology makes their lives faster, easier, and more convenient, then they will be in favor of it. They don't need to understand how or why it works; we do.

Artificial Intelligence Will Allow Us to Assess Individuals' Risk

Artificial intelligence (AI) is another scary concept for many people. Yet like big data, AI is happening now and will become a part of our daily routine in the not-too-distant future. One definition of AI is “the theory and development of computer systems able to perform tasks that normally require human intelligence, such as visual perception, speech recognition, decision making, and translation between languages.”

One way that AI will drive savings for insurance carriers, brokers (independent or exclusive), and policyholders is through *behavioral policy pricing*. Ubiquitous (IoT) sensors will provide personalized data to pricing platforms, allowing safer drivers to pay less for auto insurance (known as “usage-based insurance”) and people with healthier lifestyles to pay less for health insurance.¹⁸

Our industry has always predicted risk based on statistical sampling of past performance to forecast future outcomes.

We have also relied on risk pools constructed using statistical sampling. But now, with AI, we can make predictions based on real events, in real time, using large data sets instead of samples to make the best guess. When people wear IoT sensors or put them in their vehicles and have their levels of physical activity or their driving behaviors monitored, insurance carriers can price coverage based on real events, in real time, using data linked to individuals instead of samples of data linked to groups.¹⁹

AI can improve the customer experience and personalize coverage, too. AI will enable a seamless automated buying experience, using chatbots that can pull and autofill customers' geographic and social data for personalized interactions (a concept discussed briefly in Chapter 4). Also, carriers will allow policyholders to customize coverage for specific items and events, known as "on-demand insurance."²⁰

Our Job Is to Declutter Insurance for Clients

When a technological wonder first appears on the scene, it seems complicated and mysterious. But then, once you get familiar with it, you learn how to simplify it and use it to your advantage. That's what we need to be ready to do. The best technology is the easiest to use, the cleanest, and the most uncluttered. Our job is to unclutter insurance.

Consumers are confused by the concepts of bodily injury, property damage, uninsured motorists, and so forth. They need somebody to guide them because ultimately, when they push the button, they are making decisions that can either assist their families and protect their businesses the best way possible or put their families and businesses at risk.

Assess Your Use of Technology

I encourage business owners to assess the technology they use. If you're still using a Gateway or a Compaq computer, it might be time to upgrade. What about technology programs? Are you using the latest versions? What's the return on investment for that? How do you communicate with clients in this country and abroad? Do you use Zoom, FaceTime, Skype, Facebook, StartMeeting, SpeakWrite, WhatsApp, and more of the many available communication apps?

What apps are you using? There's an app that lets you watch and make sure your employees are doing their work. There's an app for your customers to be in constant contact and get information from you. There's an app for your client to call you and make a claim. There are proprietary versions, and there are carrier versions. They will all evolve or they'll be replaced with a new or revised technology. You probably don't even remember the app you thought was the coolest two years ago. You were enthralled for a while, but then something more intriguing came along. In fact, by the time this book goes to print, some of the previously mentioned apps may already be defunct, and new ones are sure to have been introduced.

People want us to give them what they want, or they'll go someplace else. That's just the way it works. So do you know how your clients like to communicate? Are you communicating with them in ways that are most comfortable for them? Where are the technology gaps in your business? What are your tech priorities? (Maybe videoconferencing or an app that streamlines your appointment setting? Maybe an assessment of what types of customers will buy what types of products?) Which individual households and businesses have the best ability to buy? Do they have dual incomes? Do they have children? Do they need

business insurance? Do they need life insurance? Those are the types of data we need, and the best technology can give us reliable answers. Then we can target new clients and become more profitable.

Are you behind on technology because you're overwhelmed by the choices? If so, hire a consultant to help you assess how much more efficiently you could operate by upgrading the programs you use. Don't let ignorance keep you from evolving.

Use Technology to Assess Your Relationships and Revenue Potential

Speed is everything. These days people expect everything to move faster. We need to get and provide information fast, in a usable form. We need to make technology work for us to do all kinds of things, such as to benchmark productivity with our staff members. Are they calling enough people? Are they returning enough calls? Are they doing enough reviews? Are they meeting with clients under the right conditions, not to sell them a policy, but to sell them on the concept of turning everything over to us so we can cover everything they need protected—their properties, their possessions, and even their lives?

What you don't know or understand can hinder your growth or even stop you from growing. For example, for the longest time we thought in terms of hardware and software. But now there's cloud technology, and who knows what will come next?

We always have to be thinking about the newest thing and embracing it because there's not just one way to accomplish something. There will always be different ways to look at things. That's why there are so many large technology companies and boutique companies out there. But it's our job as business owners to seek out what is going to help the customer at the local

storefront when we're with clients in person or when we're embraced in technology together. Ignorance is not bliss. We need to be looking for the change that is on the horizon and responding to it in innovative ways that serve the customer best.

You don't give your CPA just half your business; you have him or her handle all your accounting. We should expect our clients to give us all their business, too. Technology allows us to do an assessment on households, on staff, and on carriers. Where do we place most of our business? If we're not getting a commission on it, where is that ending up? How can we use technology to determine how to quickly find the best strategic relationships, renewed relationships, or a deeper relationship for all types of coverage, not just the most common kinds? We need to anticipate where a lack of coverage could cause customers problems. They might need equine or airplane coverage. They might need errors and emissions coverage or intellectual property coverage.

Technology is just speed. Information can't be cluttered. It must be usable to our clients and easy for them to digest so they can make informed, confident decisions that are best for their families and their business.

The Playing Field Has Evened Out

We might not always make the big margins we used to make, so we need to run our businesses much more efficiently. In the old days, some accounts made a ridiculous amount of revenue, and other accounts made very little. Now the playing field has evened out so that every household and business will be profitable, within a reasonable margin, because of our transparency and the unrivaled service we provide.

Technology tells us if we are doing the right thing. If we're servicing people but losing money, that's going to hurt all our

other clients. We must be providing unrivaled service *and* making money. We need to make a profit on every household and every business, and technology is going to help us with that.

Technology Should Never Replace Customer Service

Many people fear technology and always have, but not me. I was always first to market—with a fax machine, with a cellphone, and with expensive desktop computers and laptops. Now I'm a real proponent of buying inexpensive laptops. You pay \$300, and all your data and documents are stored in the cloud. You no longer need a massive computer.

There is no need to fear technology. Robo-advisors will not replace advisors. They might make it easy for beginning investors to receive financial advice, but they can never offer the knowledge, wisdom, intellect, advice, guidance, and reassurance that insurance representatives and financial advisors—trusted Discussion Partners—provide.

Again, no matter how exciting technological advances are, customer service will always be the apex. Although people appreciate the ways in which technology makes life easier, more convenient, and more efficient, they still crave the human touch. They need someone to hold their hand as they navigate the maze of madness in the world. However they want support, advice, and guidance, we're going to give it to them.

A survey of twelve hundred consumers conducted by insurance technology firm Vertafore revealed that most people are not yet ready for technology to completely replace humans in the insurance process. Most (78 percent) said they would prefer to work with a real person when reporting an insurance claim rather than submit one digitally. Only one-quarter (23 percent) said they would be comfortable sharing personal data with an insurtech startup, even if it resulted in a cheaper rate.²¹

Bruce Winterburn, VP of Industry Relations at Vertafore, said that although investment in technology is “absolutely crucial to the success of the insurance industry . . . it’s important to remember the vital role representatives play in the process. When consumers are making decisions around protecting their most valuable assets, like their homes, they want to know they have a trusted advisor for support and guidance when needed.”²²

See that? People want a trusted advisor. A Discussion Partner. Even today, when the scientific frontier is exploding with innovation.

The Vertafore survey also revealed these noteworthy numbers:²³

- **60 percent of consumers are wary of artificial technologies that might deny them coverage that a human representative might offer.**
- **72 percent said they would be uncomfortable buying insurance through a chatbot.**
- **Nearly half (49 percent) of Millennials indicated a preference for purchasing insurance through a “human like experience.”**

We Must Help Our Clients Protect Their Privacy

We must be the gatekeeper of our clients’ personal and financial information. As their Discussion Partner, we are gathering all the details about their protection and asset accumulation in one place for safekeeping. This mitigates and reduces the potential for information theft. We put safeguards in place to help protect our clients’ valuable information. This is another way we give them peace of mind. We are worrying about this important step so they don’t have to think so much about it.

There is a fine line between capturing people's personal information to determine the best ways we can help them and respecting their privacy. The sensors I mentioned earlier provide a lot of insight into customers' lifestyles, and we can use those data to assess risk. But we have to be careful not to violate people's privacy as we seek out those valuable details.

People want a trusted advisor to look out for their safety and privacy and to tell them what to be concerned and cautious about. Today there is a maze of different ways that thieves can get people's information and take them down a path they don't want to go to.

An extreme example of that is *phishing*: when a scammer uses fraudulent emails, texts, or copycat websites to try to get people to share valuable personal information, such as account numbers, Social Security numbers, or login IDs and passwords. Scammers use that information to steal people's money and/or identities.

We've all known about phishing for years, but consumers still fall for the scams and lose money and identities to cyberthieves. Recent scares with social media profiles being used for political purposes have people worried, too. And just look at all the major companies whose systems have been hacked, putting consumers' financial data at risk.

Clients will feel more comfortable releasing health information if you tell them, "We need to provide this information to some life insurance companies so we can get you the best policy at the best cost. I will walk you through it."

This is true for businesses, too. In some cases, a business will get a better rate if its financials are uncommonly strong. If a client owns a large complex or a very large building, we need to know some details. That's not going to be done on the internet while somebody's drinking a glass of wine. It's going to take financial

analysis. Who's renting in there? Are they stable? What's their financial condition? What's the risk of fire? That's big data.

People buy from people they know and trust, and some of them don't trust technology completely. Everyone is different. An option that's an ideal choice for one person won't be appropriate for someone else. What's good for you wasn't necessarily good for your parents. We all need auto insurance, and the basic format is pretty much the same, yet someone who has just inherited \$2 million needs a bigger umbrella policy for personal protection than someone who didn't inherit any money.

All roads lead back to what our customers want. How can we make their lives easier? How can we help reduce their risk of getting scammed? How can technology help us make quantum leaps in the service we provide to our clients?

How Will You Evolve?

1. **Assess your personal and business use of technology**—Where could you use upgrades? Are you aware of how much more efficiently and effectively you could serve your clients by upgrading your technology, along with your processes? If you are unsure about how you need to evolve and what your ROI might look like, hire a consultant to prepare a technology analysis for you.
2. **Cover all assets for all your clients**—To what extent do you currently cover all your clients' assets? What can you do to improve in this area? How can technology help?
3. **Anticipate the next wave of technology with confidence and excitement**—What is an example of a way in which you responded quickly to a new technological development and harnessed its power so your business

could make quantum leaps in efficiency and customer service? Would you say you are slow or quick to adopt new technology? If you are afraid of technology, what is the source of that fear? What will it take to make you embrace the next wave of technological change more readily?

CHAPTER 6

Stay Focused

The insurance industry is vast. Without a doubt, things are going to continue to change. But one fact will never change for those who want to succeed in this business: All of us, whether in the home office or in the field, are going to have to stay focused on one thing—the customer. We must complete every transaction, every task, and every part of our day, from planning to execution, with a focus on how it will affect the customer. We must constantly ask ourselves, “Is this what the customer wants, needs, and has every right to expect?”

You might be reading this book as an executive with a carrier, or you might be a distributor and Discussion Partner offering products in a local storefront. You might work in a specific department with a certain product, perhaps property insurance or life insurance. You might be a local storefront distributor transforming your agency from a Mom-and-Pop store or even a larger firm to a Discussion Partner firm, offering everything in a totally different way than you were taught in the past. But wherever you are and whatever your position is in the insurance industry, it is your job to help your customers mitigate risk.

I know you have a lot of balls in the air. You have a lot of things to do every day so that the product can get delivered to the customer. And as our industry changes, you may find that old habits die hard. So we must be vigilantly away of the need to stay focused. It’s almost like meditation. We must *meditate* on

the customer and make sure that whatever we are doing, we are asking ourselves, “Is this what the customer wants, needs, and has every right to expect?” We must ask this question and remind our team members to ask it, regardless of what we’re doing: obtaining pricing or delivering a specific product.

I love to quote Jim Rohn (as you have probably noticed by now). Among his many memorable quotations, he has said, “Don’t mistake movement for achievement. It’s easy to get faked out by being busy. The question is: Busy doing what?”

I like to say it’s easy to get faked out and to get fooled. Nothing will fool you more than your own mind. The human mind is such a powerful thing, yet most of the time, we just leave our minds on autopilot. We go through the day letting our minds guide us without asking that central question that keeps us focused. We stay busy all the time, but are we busy attending to our customers?

Each product (life, auto, etc.) has its own sets of goals and objectives. Each has its own marketing department, its own development department, and its own leadership. This is true of business insurance, financial services, claims, underwriting, technology—any area you can think of. We are all trying to do the right thing. Everybody within the organization has their own agenda, and everybody wants to make sure their voice is heard. They are well-meaning and well-intentioned, yet their actions don’t always focus on, or deliver, what the customer wants, needs, and has every right to expect. If we continue to default to what we’ve always known and always done, that strategy won’t work in an environment of radical transformation.

At every level of business we must view every action we take and every decision we make through the lens of how well we are serving our customers’ needs. Even local distributors will benefit by converting into a Discussion Partner operation that works

as a team or through collaboration with experts to assist their customers. Remember, customers want us to make their lives easier—and customer service will always be the apex of our offerings, regardless of how futuristic the world becomes.

We will never achieve perfection, but we must strive for excellence to get to the apex. Because change is a constant, our striving to deliver unrivaled concierge service in a rapidly evolving world will be a constant journey—and an incredibly fulfilling one.

How Will You Evolve?

1. **Focus on the positive aspects of change**—Some people embrace change and are out front, ushering it in. Others hang back, fearful of the way change might disrupt their familiar routines. Do you tend to embrace change or fear it? If you fear it, write down some technological, industry, or other changes that have occurred during your lifetime that have made your life easier. Focus on the positive aspects of the way change can enhance your life and the lives of your customers.
2. **Lead your team members to focus on the positive aspects of change**—Think about the people who work with you. Which of them are more likely to see change manifesting in the business environment, and in customers' preferences, and can come up with innovative ways to accommodate those changes? Which team members are more likely to be oblivious to change, ignore it, or resist it? Consider offering training to your team members to help them see that the only way to evolve by quantum leaps in the face of radical transformation is to adjust to it.

3. **Ask the big question many times a day**—To what extent do you view every action you take, and every action your organization takes, in terms of what the customer wants, needs, and has every right to expect? To remind yourself and your team members to stay focused on this embodiment of unrivaled customer service, have signs printed that say, “Is this what the customer wants, needs, and has every right to expect?” Post them in areas where you and all your team members can see them.

As We Move Forward, Be Busy Being Born

Success is continuous progress. I am excited to be alive during a time when the insurance industry, the property and casualty business, and financial services are undergoing a radical transformation. The insurance world will be turned upside down, and there will be no turning back.

Serving local customers and carriers from throughout the United States and the world for thirty years, I have always believed that the customer should come first. I have also believed in my heart that everyone I work with feels the same way. I know everyone in our home offices wants to provide products that will assist customers, their families, and their businesses and make a difference in people's lives. I could write a book on that topic alone.

Deliver Service All at Once

Today, customers can receive everything they want from our industry, and they want it all at one time, not dribbled out piece by piece. It's harsh to say it this way, but carriers and distribution groups at the local storefront will have to give customers what they want, or they will discard you, and you will cease to exist—you will become extinct.

My biggest fear has always been that we make things too complex. Complexity leads to disaster. Making things easy and fun leads to the pathway of success—a pathway that, frankly, never ends because success is continuous progress. On that note,

carriers will either have their own distribution that they can control, or they will work through a distribution group. Distribution might quickly become one of the highest commodities and will be bought and sold. There are small examples of this now, but I believe these distribution opportunities for purchasing and selling will be monetized in the very near future.

Be Open to Change, and Then Adjust to Accommodate It

There is a tsunami of change happening in the insurance industry. Wave after wave of change transforms the way we deliver and service our products and interact with our customers. If we are to enlarge our influence with our clientele, we must provide excellent expertise and advice and make it available to our customers through *their* preferred channels of communication. And we must become the trusted experts they come to for every financial need they have—we must become their Discussion Partners.

The first step is to be open to the radical transformation that you feel stirring in the wind but cannot see yet. The next step is to react to that change as it comes in a way that provides unrivaled service to the customer. Look at the work you are doing, and discover how you can provide even better service in light of the new reality. We cannot anticipate what changes are on the horizon. We know change is coming, but we don't know what it will look like or how it will affect the way we do business. That means we have to be alert, notice how the world is changing, and then lead the way to the future by adjusting our procedures and methods to accommodate the change.

This book is all about the application. I hope it has put you on a pathway that leads your organization through countless tomorrows. Bob Dylan so eloquently said, “He not busy being born is busy dying.” I could not agree more.

May we not hesitate another moment to build businesses that will ride the waves of change into the future. The journey of evolving amid change will go on forever. The only thing that will remain constant is that the customer is truly in control. The customer isn't just at the center of things; the customer is *everything*.

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ABOUT THE AUTHOR



Troy Korsgaden

President and Consultant,
Korsgaden International
Visalia, California

troy@korsgaden.com
korsgaden.com

Troy Korsgaden is a highly sought-after consultant in global marketing strategies and other matters of vital importance at all levels of organization for many of the world's largest insurance carriers and financial services firms.

Over a career of more than three decades, Korsgaden has instructed and spoken to hundreds of thousands of executives, agents, brokers and staff at all of the carriers and top industry

associations. He is widely respected as a subject-matter expert in technology and how it applies in the backroom for carrier workflows and distribution.

Korsgaden is considered an expert in distribution strategy, in both personal distribution and other methods, and he consults corporate insurance and financial services leaders on customer service, change management, and transformational work, among many key and crucial topics.

As consultant and author of six books, Korsgaden's focus is to help the insurance industry and its representatives better communicate with their consumers and grow their appreciation of the value of insurance products.

KORSGADEN INTERNATIONAL CARRIER CONSULTING

Distribution

The insurance industry is rapidly changing. New distribution channels are surfacing and quickly becoming competitors for traditional agencies. Every insurer must decide where their agency forces fit into the evolving landscape, and develop tactics to set themselves apart. Troy draws on his thirty years of insurance industry expertise to work alongside carrier organizations to develop strategies which allow them to thrive, even in an uncertain market.

Marketing

Proactive marketing programs can help drastically improve sales and retention, and Insurance companies of all sizes need to focus on creating systems that get results. For the past twenty years, Korsgaden International has been helping the nation's largest carriers implement marketing and retention programs to ensure their agencies' success through Dual Marketing and emphasis on Increased Agency Production. Through a blend of strategy and practical steps, keep your agency running at peak productivity!

IT Consulting

Korsgaden International offers a suite of technology consulting solutions to help organizations measure the effectiveness of marketing efforts and the profitability of their distribution:

- **Lead generation & management**
- **Sales automation**
- **Sales force tracking & measurement**
- **Analytics**

These tools help organizations improve the processes of acquiring new business, retaining customers, managing staff and distributing business resources.

Training

Korsgaden International specializes in helping insurance carriers improve the productivity of their agency distribution systems, and spurring carrier growth by teaching agencies to increase retention and productivity. Training programs are designed to help your agencies operate at maximum productivity and profitability, because the companies we work with understand that agency growth means carrier growth.

Recruiting

Korsgaden International helps corporations set up recruiting and training systems so that agents know how to bring on the right talent and set them up for success. By utilizing recruiting, onboarding and productivity enhancing systems designed by the Korsgaden International team, you will be able to easily track and improve your return on investment.

To learn more about Korsgaden International and how to access these resources, visit us online at www.korsgaden.com or email inquiries to support@korsgaden.com

PLATFORM SPEAKING & SEMINARS

Troy Korsgaden is an author and the founder of Korsgaden International & Korsgaden/Jansma Insurance Agency. He is one of the industry's most highly sought-after platform speakers and trainers for live seminars and events. While his expertise, industry knowledge and ability to teach are unmatched, it is his energy, dynamism, humor and distinctive ability to connect with his audience, which truly set him apart and keep him in demand.

Troy speaks about the most critical components of running a successful, growing business or insurance agency. He offers audiences insights into the programs responsible for his agency's unprecedented results year after year. Frequently addressed topics include:

- **Evaluating your business**
- **Staff recruiting and development**
- **Retooling your agency**
- **Finding and retaining customers**
- **Creating a business roadmap to the future**
- **Leveraging technology**
- **Value-selling vs. price-selling**
- **Cross-selling**
- **Marketing**
- **Annual review programs**
- **Data mining**

Troy's no-nonsense methodology and down-to-earth style make him uniquely approachable, allowing business owners and agents to absorb what they learn and instantly apply it for immediate results.

Contact us at ***www.korsgaden.com*** to book Troy at your next event!

DON'T GET LEFT BEHIND!

The insurance industry is going through a revolution, but too many carriers, brokers, agents, and team members aren't keeping up with the changes. Today, we live in an Amazon.com world of convenience, information, and choices. People expect every product and service—including insurance—to be as easy and efficient to purchase as a book or a piece of luggage. Right now, we're not even close.

In this book, Troy Korsgaden invites you to wake up to the radical transformation taking place in the insurance industry. Follow his advice and earn the right to be trusted by existing clients and new prospects. Eventually, all of us will become multiline reps, selling a wide range of products and services. To compete in the market, we have to excel in providing unrivaled service. Nothing else will do.

This ain't your grandparents' insurance book!



Troy Korsgaden is a valued consultant in global marketing and distribution strategies and other matters of vital importance for many of the world's largest insurance carriers and financial services firms. Over more than three decades, he has taught and inspired hundreds of thousands of people. He is highly respected for his insights in the application of technology for carrier workflows and distribution, as well as change management, customer service, and transformational work.

He is the President of Korsgaden International and the author of six books. He lives in Visalia, California.

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