Professional or Amateur?

Are you an amateur or a professional? Now, before you answer, let me offer a perspective that may change your response…

I recently had a conversation with a client about a successful agent within his district. This agent is a property & casualty agent who writes a good amount of business. He pulls in close to $200,000 a year in commissions! Most people would consider him pretty successful. And yet, his manager and I both consider him to be an amateur. Let me explain.

Most of his business comes from selling home and auto insurance. His agency writes a lot of it. But his focus is on writing and selling insurance. It's not on helping his clients in the bigger sense. He writes hardly any life insurance and has few, if any, client assets under management (invested funds). He has basically become a very good order-taker. (After all, home and auto insurances are essentially commodity products.) When he conducts an annual review, he reviews the existing policies. He doesn't review his clients' needs in the broader picture. He ends up working diligently on his business with a narrow focus.

How does this happen? Let's face it. When we first begin in this business, there's only one thing on our minds. MAKE A SALE. It's only natural. But what happens to many of us is that we never break out of that mindset. And that represents an interesting challenge and dilemma. You see, although focusing on making a sale certainly generates sales, you never generate the level of sales you could by shifting to a more client-centric approach. In addition, a client-centered approach generates more referrals and more repeat business, while a sales focus causes us to constantly chase new business. What ways does a client-centric approach differ from a sales-focused approach? There are several ways the two approaches differ.

A Typical Sales-Focused Approach (Amateur)
Clients are generated through traditional means with a traditional message. To see what I mean, just open up the Yellow Pages to your profession. "This is what we sell. We've been in business since 1975. We're honest. We look out for you. blah. blah. blah." A pretty vanilla message.

Once a prospect is identified, a series of questions are asked to find out what product would be the best fit and what limits or parameters ought to be suggested. But let's be clear about this… The questions are chosen to determine which product should be sold. It's not actually about the client per se.

Once a sale has been made, each year the office/agent either quietly renews in the background, or they conduct a "review" to see if adjustments need to be made to any aspect of their policies. Note that this process has very little to do with the client and has more to do with the products.

A Comparable Client-Focused Approach (Professional)
Clients are generated by reputation and by differentiation. It all starts by having a clearly stated purpose and by having clarity as to what sets you apart from your competitors. This clarity allows prospects and others to remember you, to refer prospects to you, and to seek counsel from you.

Once a prospect is identified, the focus of each meeting is on understanding why the prospect is there, what they hope to accomplish, and what they've tried before. Questioning takes in the bigger picture of the client's needs, risks, and goals. Questions are not restricted to those which clarify what product to sell and how much coverage they need. In fact, the questions used in a client-focused approach may not always have to do with the products and services you sell at all. Your guidance may come in the form of a resource, an article or book you've read, or something valuable that doesn't generate you any direct income. But one thing will be clear to the client. You are a person who cares about them even more than about making the sale.

Once the prospect becomes a client, the relationship continues to grow. The office/agent has a system to ensure regular contact with the client. When annual reviews are held, a review of the existing policies is almost incidental. The main focus of the review is to get a comprehensive picture of the client's current needs, risks and goals. And you know what? They trust you because you've demonstrated that their interests come before your interest in making the sale. A trusted relationship is formed.

Other Distinctions between a Professional and an Amateur Approach

Professionals have clients; Amateurs have customers/policyholders. Professionals have relationships; Amateurs have transactions. Professionals help; Amateurs sell. Professionals offer solutions; Amateurs offer products. Professionals cooperate with others; Amateurs compete with others. Professionals attract; Amateurs pursue.

In summary, the best way to energize your business is to shift your thinking from amateur to professional. It takes some courage. It takes a new way of doing business. It requires a new way to conduct oneself. Some of the results you'll see take time to manifest, but others are quite immediate. The shift often starts as just a small, almost imperceptible shift, but the change in results can be dramatic. I've had clients report incredible jumps in activity within a week! And besides the increase in business revenues and profits, you'll be helping people much more effectively. And that, after all, is why we do what we do.