



Stop Offering Insurance Quotes

Don't you just get tired of prospective clients asking for a quote? You know what I mean. Your phone rings and someone on the other end wants a quote for some coverage or another. Most insurance agents I know will ask them a few questions to make certain that they give them an accurate quote, and then will offer a quote – hoping that their price is competitive. These are the same agents who have a hard time keeping clients. These are the same agents who have too many difficult clients in their book of business. These are the agents who make a living selling insurance. And therein lies the problem...

It makes no difference whether you're offering P&C coverage, life insurance, health insurance or financial services, you need to understand a couple of underlying truths in order to really succeed in this business. The first truth is that no one wants to buy insurance. If you're in the business of selling insurance, then you'll have a hard time succeeding. There are two kinds of prospects who call up asking for an insurance quote – those who are price shopping and those who don't know how else to get the answers they need. When you respond to the price shoppers by simply providing an accurate quote, you obviously end up playing the price game. The one with the lowest price wins – at least until renewal time. If you should happen to have the lowest quote you get the business. But in fact, you end up with a customer rather than a client. These customers have no relationship with you and typically spend less, are less loyal, and are often more difficult to work with. If you (mistakenly) provide a quote to someone who calls because they don't know what else to do, you demonstrate that you are in the business of selling insurance and you make them a prime candidate as a client for a true insurance professional.

Which leads us to the second truth. The second truth is that most prospects don't know what they need. They don't know what they need because they don't know what they don't know. They aren't even aware or mindful of all their needs and exposures. If you simply respond to these prospects with a quote, you do them a severe disservice and you sell yourself short as a professional. Prospects don't know what questions to ask, they don't appreciate the consequences of their decisions, and most times aren't even sure how to make a smart buying decision. Additionally, by simply quoting an insurance coverage, you sidestep your opportunity to establish yourself as a knowledgeable, creative and caring professional.

Assuming that you don't want to attract price shoppers and don't want to short-change prospective clients, then you must stop offering insurance quotes. Let me explain by way of an example. A couple of years ago, a now successful insurance agent I know (in fact, he's my personal P&C insurance agent) stopped offering insurance quotes. Instead, when a prospective client calls for a quote, he asks the prospect to set up a time to meet with him. If they decline, he lets them know that his approach to business is to personally meet with each prospective client. If they still decline to meet and insist on simply getting a quote, he politely tells them that they probably aren't a good fit with him and offers to provide names of other agents in the area! Here's the result of this approach. His business is growing at over 25% a year, his client retention exceeds 90%, and he enjoys his work more than ever before, because he only ends up working with clients who are like-minded and respect him!

What happens during his meeting with his prospective clients? He, of course, addresses their initial concerns for a particular insurance coverage, but then enters into a conversation about their goals and



concerns, which in turn, naturally leads to a discussion about what they want to accomplish, what the policy they're asking for provides, and where additional coverages may be helpful. Clients don't want to buy insurance; they simply want the protection and benefits that proper insurance coverage provides. There's no point in buying insurance if it doesn't do what it's intended to do. This agent then sets up a second meeting for the prospect to come back for a short presentation which includes the recommendations and associated costs. He then allows his client to make an informed, intelligent buying decision. As you might guess, he closes an extraordinarily high percentage of his presentations.

This approach of meeting with every prospect builds tremendous rapport, demonstrates a thorough command of the subject, and shows a concern for the well-being of the client and the client's family. It's no wonder that my agent sells 50% more insurance per client than his peers and maintains a retention rate in excess of 90%. (How much would *your* profits grow if you simply boosted your retention to over 90%?) There's no question that it takes courage to turn prospects away, but the rewards are fairly dramatic. (Think of the time and energy saved by simply reducing the number of difficult clients that you and your office have to deal with.)

Stop providing insurance quotes to customers and start creating clients. You'll be glad you did.