

Want Long Term Success?

You better be persistent!

We all want policyholders to renew their business. To the customer, this means he or she has been satisfied with the performance of the policy and level of service received. To the Company, it means the business stays on the books. To the Agent, it means another year of income. Everybody is winning when customers renew.

However, we have all heard industry horror stories about large cancellation rates and business that doesn't stick. Maybe it isn't just that the customer didn't renew, but that he changed his mind after you left the house. As Steven Black, a seasoned industry expert, stated in the February 2003 *Senior Market Advisor*, "As an agent, you have to take the attitude that if a deal falls apart, it's your fault."

According to Mr. Black, there are three key points to making business stick:

- 1. Follow Up. You must promptly and personally follow-up with each client who has agreed to do business with you. Give them a call after ten days. Hand deliver the policy.
- 2. Explain the Process. It is essential that you explain to clients that the underwriting can take some time. The customer is less likely to balk if he understands what to expect.
- 3. Prepare Them for the Aftermath. A good Agent tells their clients they are likely to encounter people, mainly competing salesman, who will try to dissuade them from their decision. If you prepare your clients for such encounters, you will likely be more pleased with your results.

We all know that in our business it is relationship, relationship, relationship. Of course, this applies directly to persistency. Building close relationships with your clients means more than contacting them when rates increase. It means staying in regular touch with them year round. If your name and face are present in the customers' minds, they are more likely to come to you with their objections and concerns — and that's what you want. A customer who comes to you is business kept on the books. Business kept on the books equals your long-term success.

The Answer is "Yes"!

The key to strong renewals is ensuring the answer to all the following questions is "yes."

- Do your clients see you as trustworthy?
- Do your customers believe you are looking out for their best interest first, not yours?
- Are they convinced the solutions and advice you provide make your services more valuable than those of your competition?
- Have you gone out of your way to establish a one-to-one relationship with them?

Source: *Senior Market Advisor*, February 2003