

## Top Secrets of Top Producers – The Winning Edge!

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**D**o we have any Olympics fans here? I'm a huge fan of the Olympics. It's a series of events that I love to watch. You know in every Olympics there are some stories that just seem to transcend the games--stories that are both good and bad. This year one of the most startling upsets came in the men's 4 x 100 relay race. Let me set the stage for you. The U.S. team had three of the top four finishers in the 100 meter dash on their team of four. The team was very talented and very confident.

As a matter of fact, they were so confident that they were doing some pretty serious boasting. Instead of practicing as a team, our group of individual sprinters was predicting a gold medal in world record time.

As you probably know by now, the U.S. team was edged out by Great Britain by 1/100 of a second. A distance estimated to be the width of one chest hair. The reason for the upset was hardly a lack of talent. As one press report stated you could hardly have stacked your team as well as the U.S. men's relay team. Most people feel the gold medal was lost on this pass of the baton from the individual gold medal winner, Justin Gatlin to Coby Miller. While the British team had practiced together for years, our sprinters had practiced together only two times. They were too busy practicing for their individual events. Ironically, the heavily favored U.S. ladies 4 x 100 relay team was disqualified for a bad handoff.

This story is important to a group of financial professionals because it shows that whether it is track or our business, the race often is not lost on talent. Many times the race is determined by how well we pass the baton from one stage of the sales cycle to another.

The theme for this talk is a phrase called *The Winning Edge*. The winning edge means, for example, that in the insurance and financial advisors profession the top 20 percent earns 16 times more than the bottom 80 percent, and the top 4 percent earn 54 times more than the bottom 80 percent. Are those earning 16 to 54 times more money better than the others? No, they simply have the winning edge. The discrepancies in ability are small but the discrepancies in rewards are huge.

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In the Olympics, the winning edge was 1/100 of a second, and it was the difference in being a hero or living a lifetime of regret. In our industry, it's often the difference in getting or losing the clients that can make a difference in your career.

Our industry is full of people who can sell. But top producers have learned how to move their clients from one stage to another smoothly and seamlessly. I'd like to examine the four key things top producers do, or at least do better than average producers, that give them the winning edge.

The first point of my talk today is *top producers believe in their product*. Next I'll explain how *top producers sell to sell again*. The third point of my talk today is that *top producers are marketers* and the last point of the talk is that *top producers contact their clients*.

For the last 20 years, I've had the privilege of serving as a sales manager for our company. It didn't take long for me to recognize that the top producers in our firm, as well as top producers in every firm, have an inner belief in their product that's evident in the products they buy for their own financial plan. So here's my first point: *Top producers believe in their product* so much that they sell to their clients what they buy for themselves.

Historically, I've noted that average producers buy term insurance while attempting to sell permanent insurance to their clients. Top producers always sell in proportion to what they have on their own lives. An influential advisor early in my career told me to always be your best client. When I first joined our firm the gentlemen who recruited me informed me that if I truly believed in the product, I should buy a \$100,000 universal life policy on myself for \$50 a month. I started in our industry directly out of college and was paid a training salary of \$1,000 a month. After taxes I was bringing home less than \$700, so needless to say, at that point in my career I considered \$50 a month an enormous sum of money. I tried to explain to them that I didn't need a policy. I knew it was a great product, but I didn't have any debt. They explained to me that if I were going to work for them, I would have to have it. I remember saying to them, "Let me make myself clear, I have no debt,

I have some money in the bank, I really don't need any life insurance." Finally, the general manager of the agency said to me: "Son, let me explain this to you in a vernacular that I think you will understand. If you don't believe in life insurance enough to buy a policy on your own life, you simply can't work here." Since I didn't have another job lined up, I bought a policy that day.

My buddy who got me the job and had tried twice to get me to buy a policy said: "Why is it that I talk to you twice about buying a policy and he talks to you once and you immediately buy a policy?" I said, "He did a better job explaining the benefits of owning the policy than you did." That became the foundation for a new selling style for me that I discovered quite by accident, and it is the first key point I want to make for you in our presentation today. Use your own policies as a testimony of your commitment and conviction of what you are selling. They are expecting a sales pitch; so give them a testimonial.

I learned that by accident early in my career. My brother was coming by my home one day to buy life insurance and disability insurance on himself. When I told him the cost of the program would be approximately \$100 a month, he said, "Wow, you sure are trying to make a big sale on me." I said, "This is how I spend my own money and since you are at my house I'll show you that I have the exact same policies on myself." I then got my entire insurance program and showed it to him. My wills, my trust, the permanent life insurance with the company I was recommending to him and the disability income policy as well as the insurance policies on my wife and children. When I got through, my brother said, "If I buy these policies from you, are you going to deliver them to me in a blue folder like that?"

So I learned two things from that experience. First, I bought a big supply of blue delivery kits and second, I now keep my policies in my office, so that when I am attempting to make a close I can show them my conviction. I can show them where I put my own money and that I also own exactly what I am recommending to them. I am able to show them an insurance portfolio and a financial plan, that if something were to happen to me, would leave in trust to my family over five million dollars of liquid assets.

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It's this unique style of closing that I used to close a \$1 million policy that turned out to be my very first death claim. I grew up in an area in south Alabama near Mobile, and I sold a \$1 million policy to a shrimper, and of course his name was Bubba. Shrimpers are tough people who are used to living hard off the land. He wasn't well educated but was a hard worker and loved his family very much. Bubba wanted to plan for his family and bought a \$1 million policy that would take care of them in case some night he didn't come home. And sure enough, one night Bubba was shrimping in the bay and accidentally ran into a buoy moored in concrete. Bubba went down with the boat. I drove over to meet with his widow. She was there with her very closest friend. Her friend was beside herself with grief and told the widow: "You are so lucky because Bubba loved you. You are so lucky because Bubba cared. You are so lucky because Bubba planned for your future." When she started to say, "You are so lucky..." again, Bubba's widow finally spoke up and said, "Stop. I can't take it anymore. The truth is I am so lucky because Bubba couldn't swim."

Thanks for laughing with me on that little joke. But I hope you get the first key point of my talk today: *top producers believe in their product*. If you want to be a top producer use your own policies to show your commitment to the products you are selling and that you have already bought the product that you're trying to get them to buy.

The second point I want you to take away from this presentation is how *top producers sell to sell again*. Average producers believe that once they have made a sale that the process is over. Top producers understand that once they have made the first sale, it is truly just the beginning of the relationship building process that can lead to many repeat sales.

Here's an example from my past of two salespeople of the same product. One who sold me some furniture and the other who sold me to sell again. About three years ago, we purchased a lake house and found a bedroom suite we liked advertised in the newspaper. When we went into the store, it was the right bedroom suite and the right price. I told the salesperson if she would work with me and give

us a great price we could make her day. Before we left the furniture store, we had bought enough furniture to furnish our entire lake house. After we bought this furniture, she convinced us to spend an extra \$300 to buy the furniture protection system. The next day I woke up and had buyer's remorse about buying the furniture protection program and called and asked if she would please take that off our bill. There was no return phone call. I called her again, with no return phone call. I faxed a letter to the furniture store requesting that the furniture protection be taken off our bill. To this day, I don't know if it was taken off because she never acknowledged me in writing. About a year later we finished off the basement of our house and decided to buy a leather sofa. We went into the same furniture store to shop for additional furniture, and I'll never forget the puzzled look on her face as she watched another salesperson walking us through the store. I remember thinking to myself that she was wishing she had us as a customer again, even though she never even returned my phone calls. She did not sell us to sell again.

Later, we went to another store and went to the front desk to ask for help. They introduced us to a quirky guy with a beard and glasses. His name tag said "George – Leather Specialist." George took us around and showed us many leather sofas and finally said: "Oh, I have the perfect sofa for you." He took us to a beautiful floor sample. It truly was the perfect sofa for us. As he was ringing it up, he said: "You know, you don't want our delivery people delivering this beautiful sofa." George explained that since it was a floor model, if it was scratched during delivery it would be our responsibility and not the furniture company's. He said, "I'll deliver the sofa to you personally." Just as he promised, two days later he delivered the sofa to our house. Soon after George and I carried the sofa into my house, I offered him a \$20 tip and George said, "Oh, no, I wouldn't dream of taking your \$20, but if you buy furniture again, I want you to think of me." You see, an amateur simply wants to make a sale, but a pro wants to make you a client. If I go to buy furniture now, who do you think we would buy it from? George? Well, we can't buy from George anymore because he is out of the business. However, we get

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regular mailings from George offering us the best deals on a Chevrolet. Because whether it's furniture or cars, George sells to sell again.

I would like to share with you a 10-step system that one of my good friends and MDRT member, Bill Dowell, uses with his customers immediately after making a sale to begin the client development process. Bill calls it Red Carpet Service. The first thing Bill does upon closing a sale is to send a personal, handwritten thank you note on a note card. Bill told me that he used to send a boilerplate typewritten letter and got a nice response to that, but he gets a warmer response from his handwritten thank you note.

During the first week his office sends what they call a Staff Services Letter. This letter introduces their customer service rep and tells the services she performs and the hours that she works. Next, the letter introduces their marketing assistant; she's responsible for anything involving the client development process. Third, the letter introduces their trader. This employee is in house and is there to make policy changes and sub-account changes within mutual funds and variable accounts.

At the beginning of the next week the client gets their Service Rep Letter. That letter is actually written by the employee who is introduced in the first letter. She lets the customer know the service she provides and hours that she works. The letter goes on to assure them that this way they get the best possible service, and it will allow my friend, Bill, to do what he does best; meet with clients. They then get Weekly Status Calls. The service rep calls the client every week while the policy is in the underwriting process and keeps the client abreast of any changes that may be going on during the underwriting or the account transfer process.

At the beginning of the third week the client receives a Logo Gift with the name of the firm on it, hoping they will wear the shirt or hat around their affluent friends. Once the policy is approved or the account is transferred they receive an Account-Approval Letter. That letter gives them the toll-free number and web address of the underlying mutual fund carrier or life insurance company

and the web address and office number of their office; so the letter informs them of four different ways to check on their account values. Once the Account-Approval Letter has been sent, they receive the producer call, where Bill calls the client to touch base and to schedule the delivery of their policy.

Life insurance agents have a big advantage over other professionals with the personal delivery of their contracts or initial statements. At this time the representative will make sure there are no errors in the policy or teach the client how to read their statement and how to get their values via the Internet or telephone. What you will find in Red Carpet Service is after all of these contacts have been made, the client is extremely happy with the purchase they have made and is extremely willing to give you referrals upon delivery of Red Carpet Service. For investments they then schedule the first quarter review, or for life insurance they assure them of an annual review. During this process, they have continued their regular firm mailings. You may not be interested in implementing all the steps of Red Carpet Service, but can you imagine competing with someone who has?

In summarizing Red Carpet Service, I hope you will see the ten steps that you can implement into your practice that will help you *sell to sell again*.

The third point that I'd like to share with you is that *top producers are marketers*. I remember when I attended my first MDRT meeting in Dallas, seeing all the biggest producers in the industry. At the end of the meeting, I realized they weren't any smarter than I was or any better looking, but it was obvious they had learned how to take a single concept and market themselves as an expert so that other producers and consumers would approach them and ask for their help.

That inspired me to read a study on how marketing strategies correlate with producer's income. A study was done by the Financial Planning Association that compared and contrasted the way that financial planners prospected for their clients. The study was broken down into planners with a pre-tax income below \$50,000 a year and planners with pre-tax income above \$100,000 a year. The study

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demonstrated that the two had a startling difference in how they prospected for new clients. More than 88 percent of the planners in the lower income bracket sent cold direct mail brochures and sales letters, while over 95 percent of them sent a sales letter or brochure to someone to whom they were referred. While 66 percent of them did cold telephone calls and 66 percent did newspaper or magazine advertising, and 59 percent did cold personal sales calls. The most interesting thing about this study is the producers making above \$100,000 a year rarely did these types of marketing. Only 18 percent of the producers in the above \$100,000 category did cold telephone sales calls while less than 12 percent did newspaper and magazine advertising and less than 10 percent did cold personal sales calls.

It was clear that the producers making above \$100,000 a year would do things such as speeches to civic or business groups, public and in-house seminars and workshops. They were also writing articles, books, and columns and putting out self-published newsletters. Only about 10 percent of the planners making below \$50,000 were prospecting those ways. The article went on to summarize that the planners making less than \$50,000 a year prospected in ways that made them appear hungry, that they needed to make a sale today. The planners making above \$100,000 a year marketed by using an indirect approach that resulted in the consumer approaching them and asking if they could help them. It appears that the consumer prefers a marketing strategy over a sales call.

I want to share with you the four most effective ways that you can be marketing your business. According to the study, the most effective thing you can do to market your business is to issue a self-published newsletter. The second most effective thing you can do is write articles, books, and newspaper columns. The number three most effective way to market your business is to have public and in-house seminars. The fourth most effective way to market your business is to give speeches to civic and business groups. These four methods would make up the ideal marketing plan for anyone who's serious about marketing their business.

My fourth, and good news for many of you, my final point is that *top producers contact their clients*. I want to share with you a story of how I lost one of my best clients by not staying in proper contact with them. You won't believe how quickly our relationship deteriorated. In November of 1999 my relationship with these clients was so strong that they insisted that my family use their condominium at the beach for the Thanksgiving holiday, and they wouldn't dream of letting us pay for anything. In March of 2000, just four months later, I was on vacation on the beach of Hawaii the day the bear market started. As you may recall, the Dow Jones Industrial Average dropped 500 points on that day. I called into my office and asked my assistant if there was anything I needed to attend to or anybody I should call back. She naturally said there was nothing that couldn't wait until I got home. When I returned to my office on Monday I noticed that there had been a message to call that particular client. I immediately called and explained that I'd been on vacation in Hawaii and didn't get the message, but the damage had already been done. The client who had insisted that I borrow his beach house at no charge was now cold as ice. He said, "Andy, we don't need you when times are good, we need you most when times are bad." Thus began the process of them ultimately firing me from being their financial advisor. One of his final comments was: "Andy, up until this point we always thought that you were the guru." Well, let me share with you today that this experience turned me from the guru to the goat.

How many times per year do your clients want you to proactively contact them? Most financial planners estimate four times is the magic number. But according to research done by Aristotle Brokerage, it takes 14 contacts to have extremely satisfied clients. As a matter of fact, clients are only somewhat satisfied with seven contacts and neutral with only four contacts a year. Based on that study, we developed a contact program where our client will hear from us a minimum of 14 times per year. The key to our customer contact program is implementing the number one way to market your business. We use a personalized newsletter called Financial Visions. Our research

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showed us that a quarterly newsletter wasn't often enough, but if you send it every other month, your clients think they receive it monthly. So the best value in sending out a newsletter is to send it to your client every other month.

Many of you are probably not doing newsletters because you simply think of it as an expense. But here is an example of how we have utilized our newsletter to stay in contact with our clients and to help us make additional sales. I remember an MDRT meeting presentation entitled, "How I Sell Millions of Dollars of Insurance Without Ever Meeting My Clients." The person talked about how he had a page laminated that lists how much it would cost to buy a one million dollar life insurance policy and gave it to every financial advisor he knew. We implemented that idea by putting this sheet in our newsletters, and the first time it was sent out I got six phone calls. Of all the inserts we've done through the years, this is the most effective one we've ever used.

We wouldn't be a self-respecting financial professional if we didn't also make a big deal out of our client's birthday. While many of you have found birthday cards to be effective, some people make a point to call every client on their birthday. Some have found that using the program "News of the Past" is a unique way to help their clients celebrate their birthday. It's simply a computer program that tells what interesting things happened on the day of their birth. We've found the response to that information to be overwhelmingly positive.

In addition to the contacts I've mentioned, we also have quarterly client dinners. We learned how to increase our attendance by 50 percent on these quarterly dinners by simply adding to the bottom of the invitation, "Please feel free to bring a friend." Instead of mailing out one invitation, we mail out three. Our average attendance increased from 44 people per client dinner to 66, just because of these two minor adjustments. The key to using the client dinner to help you make money is to use a survey form at the end of the dinner asking how the meal was and to request any follow-up. Our experience has been that approximately 20 to 25 percent of the people who attend our dinners would

like for us to follow up. If you're counting, that means a minimum of eleven contacts.

We also like to send a card out at Thanksgiving and we like to celebrate the holiday season. At our firm, the majority of our clients are Christian, so we celebrate the Christmas season. I encourage you to celebrate the holiday of your consumer's choice in a manner they would deem appropriate. Lastly, most life insurance clients want to be seen at least once a year, and we recommend quarterly reviews for investment or financial planning clients.

I began my presentation today by talking about *the winning edge*, and now you should understand that the little things you do can make a big difference in your practice. Remember first that *top producers believe in their product*. Your own portfolio should be a testimony of your commitment to the products you sell. Secondly, remember that you should *sell to sell again*. The third point is that *top producers are marketers*. So you should write an ideal marketing plan for your business. And number four, *top producers contact their clients*. You need to contact your clients at least fourteen times a year.

In the life insurance and financial industry we have our statistics down cold. We know for a fact that one out of three financial advisors is a jerk. Now, look to your left and look to your right; if the person on your left and person on your right are nice folks, I may have some bad news for you. I made that little joke to remind you that how you conduct your business will have a lot to do with your satisfaction at the end of your careers.

I'd like to close with a simple poem.

### MY INFLUENCE

MY LIFE WILL TOUCH A DOZEN LIVES  
BEFORE THIS DAY IS DONE.  
WITH COUNTLESS MARKS OF GOOD OR ILL,  
ERE SETS THE EVENING SUN.  
THIS THE WISH I ALWAYS WISH,  
THE PRAYER I ALWAYS PRAY,  
LORD, LET MY LIFE HELP THE LIVES  
IT TOUCHES ALONG THE WAY.