

STRIKE IT RICH!

Breaking Into the Affluent Insurance Market

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Successful insurance brokers enjoy working with a wide variety of clients, but many agents confess to a similar dream: servicing insurance policies for the affluent, who often pay hundreds of thousands of dollars a year on boutique policy premiums.

The trick, of course, is figuring out how to acquire wealthy clients.

Follow the Money

It may seem like a simple solution, but hanging out with the rich kids is really the best way to find clients. If quaffing pricey Scotch at leather-chaired gentlemen's club isn't your thing, try joining a couple of organizations that focus on serving affluent policyholders. Associations like the Million Dollar Round Table <www.mdrt.org> hold regular meetings at which regular Joes can hobnob with upper-echelon agents, and many community associations regularly sponsor luncheons, golf tournaments and conferences attended by top performers.

Learn From the Experts

It's not enough to brush elbows with the hoi polloi -- you also have to learn from them. Before becoming a free agent, spend time working for a brokerage that targets the types of clients you want to service. Learn everything you can from upper management, the advisors, the analysts and the bankers, and then go out on your own and put what you've learned into practice.

Grow Your Role

A few weeks of hard work won't make a multi-million-dollar policy server; it may take years to reach your goals. While patience is a virtue, it won't make you rich, so take an active part in growing your role as an insurance provider to the financial stars. Set goals, and work to meet them. Begin by planning to acquire fifteen clients, each with a net worth of at least one million dollars. Plan to move to up to fewer clients in larger tax brackets each year: within five years, halve your client load and quadruple their net worth. Work from there until you've reached your personal goal.

Walk the Walk

Once you've arrived in the affluent market, make sure you stay there by offering superior service. Wealthy clients have high expectations of their service providers and won't hesitate to switch firms if they perceive their expectations are not being met. Excellent customer service is a great place to begin, but think beyond bowing and scraping. Affluent clients want to see proof that their funds are best spent at your agency. Frequent meetings, administrative reviews and detailed records show your

commitment to serve, as does your willingness to solve any and all problems your clients present.

Make Them Pay

When servicing the affluent market, expect overhead and administrative costs to soar as you increase your staff and improve your offices to accommodate the needs and preferences of your clients. To offset these costs, be discriminate about the types of clients you solicit. Set limits, dealing only with clients whose net worth exceeds a certain amount. Additionally, evaluate the amount of revenue a particular client is likely to generate, and only service those clients whose insurance needs will exceed this amount.

Don't forget to take into account the difficulties unique to working with affluent clientele. As your clients' net worth grows larger, so does the potential for complex dealings with all sorts of difficult personality types. In addition to evaluating a clients' revenue potential, take into consideration how much time and effort will go into servicing a particular policy. A client with a larger net worth and a smaller allotment of "people skills" might make your work far more difficult than an easy-going client with a net worth only in the tens of millions.