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started working in the insurance industry in 1986. After graduating from the University of Tennessee in 1988, he became a marketing specialist for Manhattan Life Insurance Company in Cincinnati, OH. When Manhattan Life was sold in 1989 he moved back to Knoxville and became marketing manager at Tennessee Brokerage Agency. In 1996, he became president of TBA (when his father retired), a position he still holds.

Felton has served on many local and state insurance association boards, as well as local civic and social organizations. He is currently a member of the board of directors of the LIFE Foundation, past chairman of the National Association of Independent Life Brokerage Agencies (NAILBA), past president of the National Association of Insurance and Financial Advisors (NAIFA)—Knoxville, and past president of TYGERS, a second-generation brokerage agency study group.

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January Again?

January is my least favorite month of the year! As a child I used to like January because it brought colder weather and a chance for snow. However, that all changed when I graduated from college and began working in the insurance industry.

January means that it is the first of the year and I have to “hit the ground running” and get some business in the door. Most of the life insurance industry can no longer relax and live off of renewals. Much of that went out the door in the 1980s and 1990s, when super-heaped commissions were introduced. Therefore, for insurance agents and insurance wholesalers, January is the time to recommit to our industry and our sales.

Let me warn you that the first part of this article is the bad news, but please continue to read because there is good news, too!

The Bad News...

Let's take a look at the life insurance industry of today and let me preface this by saying this is not “your father's insurance industry” by a long shot. Somehow life insurance has taken a back seat to many other things that are important to a family. If you look at LIMRA research, some of the most startling numbers you will see are:

- 30 percent of U.S. households have no life insurance.
- 44 percent of U.S. households have individual life insurance—a 50-year low!
- 11,000,000 of U.S. households with children under 18 have no life insurance.

As a father, those numbers really scare me. As

an insurance agent, those numbers upset me!

Another statistic I have heard is that 82 percent of Americans are underinsured! Who is going to take care of the families if the unexpected happens to any of those people? I know the answer, and I have seen dozens of stories that illustrate what happens.

As a member of the LIFE Foundation board of directors, I had the task of reading stories about people who were part of the families listed in the bullet points above. I can tell you that people's lives were changed—and not in a good way. Children were forced to take jobs just to help the family make ends meet, and sometimes that was not enough. Dealing with the loss of a loved one is tough enough, but dealing with the loss of a loved one *and* loss of income is unbearable.

Life insurance can make a big difference in people's lives if they just take the time to look into it. It is one of the most unselfish acts a person can do for his family, and unfortunately it is happening less now than ever before.

Let's take a look at the people who are selling insurance—that is not a great story, either! There has been a 30 to 40 percent reduction in the number of agents/advisors during the last 30 years. The agency system is not what it once was and much of that can be attributed to the growth of the independent brokerage channel. The number of companies that are recruiting and training advisors has been greatly reduced, and that is a problem. We need new blood in the life

insurance industry, but where are they going to come from? There are tons of articles and opinions on this and, unfortunately, there is not enough space in this magazine to adequately argue that point.

The Good News...

Step back from the ledge because we are going to be okay!

If you are reading this article and you are selling life insurance, you are in the best position and profession you can find. Based on the numbers I gave you earlier, you can see that there is a ton of opportunity out there for increased sales, and since the number of people selling insurance is down, there is less competition!

LIMRA has also found that many U.S. households would buy life insurance if they were asked. The problem is that no one is asking them.

You can be that someone if you have a marketing plan and stick to it. I am not suggesting you knock on 11 million doors in an attempt to sell insurance, but what I am suggesting is that you create a marketing plan and stick to it for at least six months. Nothing worthwhile is easy, and your marketing plan will take time to establish. With perseverance, along with adjustments to your plan when necessary, you will see

results. Just keep working that plan.

Where do you start? I suggest you start by looking at your own situation. Chances are that you are among the 82 percent who are underinsured. Complete a simple needs analysis on your life. If you don't have a form, you can find a great one at the LIFE Foundation website (www.lifehappens.org). If you have a need for additional insurance—buy it.

Now you have a great story to tell your clients! You can explain how even you had a need that you did not realize and how you suspect that they may have a need as well. People love stories, and they will feel less vulnerable if their own advisor had a need.

Also, let them determine if they have a need by giving them the one-page needs analysis and asking them to do some "homework." They can fill out the form on their own and you simply follow up with a call/meeting to see if you can help them. During this discussion of life insurance, you may also discover that they have other coverage.

Ask them if you can review their older policy. More than likely, they don't really understand the coverage they have and how long it is going to be in force. By doing such a review you may find that some of your cli-

ents do not have what they think they have. Guess what, you have another sale. This is a very non-threatening approach and shows that you care—*because you do!*

Once you have gone through all of your current clients, take the same approach with individuals you meet. Ask them about life insurance, give them their "homework" and talk to them about their current life insurance. The sale of insurance is a numbers game—the more clients you are in front of, the more success you will have.

What Are You Waiting For?

Remember, it is January and you need to make 2012 your best year ever! Right now you need to make a list of 10 current customers to contact in the next week. I don't care how you contact them (although I prefer the telephone). Ask them if they have 15 minutes to spend with you in the next week. During this meeting, tell them your story, give them their "homework" and review their in-force life insurance.

If you contact 10 different people each week, I guarantee that your sales will increase and you will be well on your way to helping us all reduce the startling statistics from LIMRA.

The insurance industry needs you and so do your clients. Now get out there! 🌍