

## How to Write \$1 Million in Annuities Each Month...With Your Eyes Closed

by David D. Holland, CFP, CPA/PFS, CLU, ChFC, CAS, CFS, MSFS

You can't. Well, let me put it this way...you can write one million or more in annuity premium each month, but it *ain't* goin' just happen. You can get to the point where you are writing a million plus a month and it will feel natural and normal, but it will not happen by dumb luck. You can't be taught to be a big producer by an insurance company (they can understand big producers about as well as I can out-swim Olympian Michael Phelps). And the management of many annuity marketing companies doesn't know what it takes to be a big producer – since many of them have never worked *in the trenches* as agents.

So, how do you increase your annuity production? I'll just lay it on the line and save you time...the truth is that being a big annuity producer (I'll define that to mean consistently writing half a million or more in annuities each month) really isn't that hard and it certainly isn't a mystery. By this definition, I am a big producer three times over, but that certainly wasn't always the case. In my first year of recommending fixed index annuities, I wrote about \$300,000. Now I can write that same \$300,000 in just one week. It didn't just happen overnight. Nobody gave me the "secret formula." No insurance company gave me any real help. And my personal experience with annuity marketing companies has been that most don't have a clue about how to build big producers. Back when I needed help, most annuity marketing companies just gave agents access to product (sometimes from just one insurance company), threw in a little extra compensation, and would call now and then to ask, "Hey, how's it going? What are you working on?"

If you're looking for a "big producer secret formula," here's one I can give you:

- 1 part - Credibility
- 1 part - Objectivity
- 1 part - Patience
- 2 parts - Determination
- 4 parts - Leverage
- 1 part - Image Management

Let me comment on each one of these "key ingredients."

**Credibility:** Do you really know what you're doing? Have you taken the time to get the licenses you need to properly help your prospects? Have you refined your knowledge to the point of being an *expert* in your chosen target market? Which credentials have you gotten and/or which one(s) do you plan to get? **The leading financial advisers over the next ten years will be credentialed.** The media will continue to advise the growing wave of baby-boomers to seek the counsel of "certified" advisers. If you are retiring in a year or two, don't bother...but if you're looking to be in this business for the next ten, you'd better get at least one *real* financial credential. My short list would include: Retirement Income Specialist (Institute of Business and Finance), Chartered Financial Consultant (American College), and Certified Financial Planner (Institute for the same).

**Objectivity:** Would you put your Mom in the same product you're recommending to prospects? If the answer is "no," then my question is "why not?" Are you recommending just one insurance company's product line? If "yes," do you really believe that they've got the best product for every client? It is easy

to fall into a state of complacency and just stick with what you know (been there, done that, and, in hindsight, I wish I hadn't). To truly do our jobs, we must continually look for the best choices for our clients...and often that means choosing something different for various client situations and at different times (if your "favorite" company's index caps aren't competitive, how can you recommend them?). Is it more work to compare products and think about your recommendations? Of course, but that's our job as financial professionals. If you're recommending just one company, then you know what that makes you...a *step and fetch it*. Don't like the sound of that? Then, you need to inject some objectivity into your annuity recommendations. I routinely split funds between two or more well-rated insurance companies. So can you.

**Patience:** Sometimes you've provided the best advice and the prospect won't move forward on your recommendations. Sometimes the best advice you can give is for the prospect to do nothing. I could tell you story after story of how many of these situations have turned out for the best (they come back; they refer friends; they invite you to speak to a group). The point is to stay focused on doing what is best for the client and most situations will turn out like they should (in some cases that may mean not getting the business – which can end up being a good thing).

**Determination:** When I first started my financial services career, there were many times I wondered whether I was on the right track and even if I was in the right industry. The key to financial services success is being willing to change what you're doing when it doesn't work anymore, being willing to try new things, being honest with yourself, and being unrelenting in your pursuit of your goals. This may sound like fluff, but it is not...to write a serious amount of business, help a lot of people, and make a lot of money, requires pure determination in the face of challenges that will arise. Determination is second only to "leverage" as one of the key ingredients of financial services success.

**Leverage:** If two agents both work hard and yet have very different production results, most of the time the difference will be the degree of leverage each has achieved. **How you leverage your time is the biggest ingredient in a formula for financial services success.** Leverage is what allows a \$3 million dollar producer to grow to an \$18 million dollar producer. To go from \$500,000 or \$1 million of production to \$3 million or \$5 million, you've got to delegate and outsource as many tasks as possible. **You must focus your time exclusively on marketing, advising, and relationship management.** At some point, everything else has to be done by someone else. The more you don't do, the more production you can do. It is that simple. Do you do your own applications, do you check on your own transfers, do you plan your own seminars, do you create your own seminars, do you do your own mailings, and do you prepare your own financial plans? If you answered "yes" to any or all of these questions, then you're not leveraging your time as much as you could. More leverage equals more production. Or, if you prefer, more leverage equals the same production, but less work. Or maybe even both. Either way, becoming a bigger producer is all about leveraging your time and focusing your attention on those things that 1) you are really good at; 2) only you can do; and 3) produce revenue. If you spend most of your time on the things that meet all three of these criteria, you will see your production soar. I did.

**Image Management:** Much has been written over the years about image and how professionals are to present themselves to the public. Every day that I meet with clients, I wear a shirt and tie. And, I wear a finished vest or suit for seminars. What you wear, and how you present yourself to the public, will be based to some degree on where your practice is located; there are regional differences. Unless you are in a super casual region, I'd recommend the shirt and tie. Image management also includes how and where

you conduct business. I strongly recommend renting office space and holding all meetings in your office. Prospects should come to you, just like they do for a doctor or lawyer. Spend as much money as you can on the office...the better it looks, the better your chances of working with wealthier prospects and clientele. Start small and move to a larger, more professional location over time. Business cards, letterhead, brochure, and Website are also part of managing your image. Crisp, clear, and professional, all go a long way in establishing the proper image with prospective customers. If it looks like you made your brochure on the copy machine, prospects will not be impressed (been there, done that, and was happy when I could afford professionally prepared materials). How you present yourself, in other words, how you manage your image, tells prospective clients how seriously you take your job (and, in their minds, that translates into how you will manage their financial well-being).

In the current regulatory environment and hyper-focus on annuity sales practices, annuity agents must also have a clear plan for both defending and building their financial services practices (after all, nobody wants to become bait for the media's *feeding frenzy*).

Within this environment, I would also recommend that agents focus on some fundamental issues that affect their career. Here are ten such questions to think about:

1. Which licenses do I need to provide my clients with a full range of financial products?
2. Do I need to provide written financial plans to prospects (like the media says)?
3. What should I do to be prepared for fixed index annuities being treated as securities?
4. Do I adequately explain fixed index annuities and other annuities to my clients?
5. Am I diversified enough in terms of my own income sources?
6. Do I provide financial services to my existing clients that are "referral worthy"?
7. Are seminars still the best way to get in front of good quality prospects?
8. What are marketing strategies I should be using in the current market environment?
9. Should I be targeting seniors/retirees only? What about baby-boomers?
10. How does marketing to baby-boomers differ from retirees?

Once an agent takes the time to answer these ten questions, and evaluate and adjust his practices with regard to the six key ingredients of the Big Producer "Secret Formula" – he has taken his first steps to writing \$1 million in annuity premium per month. (Eyes closed is optional.)

**About the Author:** David D. Holland is an independent financial planner/investment adviser/annuity agent in Ormond Beach, Florida. David, and industry veteran, Mike Mastowski, are the founders of Retiree Adviser Marketing Corporation (RAM). RAM provides independent agents with access to high quality annuity products and helps them expand their services to include real retirement advice. RAM also gives agents the opportunity to access David's marketing and planning system – the same system which allowed him to average \$15 million in annuity production for three years in a row. **RAM agents are invited to participate in a full-day training session with David, where they can learn his system, freely ask questions in a small group atmosphere and find out how to leverage their time with free customized retirement plans and RAM's 50 basis-points RIA platform. To get more information about RAM's services, call 888-422-7007 or visit [www.retireeadviser.com](http://www.retireeadviser.com).**