

Another



Way to
Sell

How to reach
Generations
X and Y.

by Angelo John Lewis

There was a time when Brian Greenberg, one of the newer members of the prestigious Million Dollar Round Table, was burned out on the life insurance business. Although he'd established himself at a young age as a successful MetLife agent, he found himself getting disillusioned. He started to question the basic approach of selling a product to people who weren't ready to buy it.

Greenberg, then in his mid-20s, began to formulate a new core philosophy. "My belief is that life insurance should never be sold. It should be bought," he said.

For a time he quit the business and even let his license lapse. He joined an Internet marketing company, while also helping his father start an online business selling touch-free restaurant supplies. He devoted himself to learning online marketing and eventually became good at it. Greenberg eventually went on to found an additional Internet business, one that sold cleaning supplies for homes and businesses.

At 30, his online tutelage complete, Greenberg decided to return to the life insurance business—and to do so his way. He'd already learned that there was such a thing as an "easy" life insurance customer—people who were already motivated to buy, and just needed help with the mechanics. "These were customers who had

someone they knew that died and their families benefited from life insurance. Or they knew someone who didn't have life insurance and it was a nightmare. There was no selling there.

"At that point I decided when people were ready to buy life insurance, they will. The insurance model of insurance agents is that insurance is sold and not bought. I told myself, 'I'm going to do it differently.'"

So Greenberg set up an online business, CompassQuote, that doesn't require him to make sales pitches. If people are shopping for life insurance, they can go to his site, find out what's available, and apply online. As he knew going in, there is a distinct demographic his approach appeals to: Generation X and Generation Y consumers, who are as likely to buy online as they are to go to a store.

Based in the Phoenix area, Greenberg is licensed in all 50 states. He partners with Efinancial as a wholesaler and lets his customers choose the company and the rate that best suits them. Early this year, he was selected to be a member of the Million Dollar Round Table, for which only the top 1% of agents qualify for membership based on sales volume and commissions.

Best's Review interviewed Greenberg about his nomination to MDRT and his online sales techniques.

Key Points

- ▶ **The Trend:** Generation X and Y consumers are more likely to shop online than older generations.
- ▶ **The Impact:** These generations are more resistant to traditional sales techniques.
- ▶ **The Future:** Online life insurance consumers increasingly opt for no-medical-exam coverage.

What's unique about Generation X and Y customers?

They start by doing a search when they want to buy something or want information. And they don't want to jump through hoops to get it. When one of the life insurance triggers happens to them—such as having a new addition to their family or hearing about a bad thing that happened to a friend who didn't have insurance—the first thing they do is to go online and search. They know that if they shop around online, they can get a better price. The same thing is happening in retail. They go to Amazon looking for better prices. It's exactly the same thing in insurance.

Describe your office and the size of your staff.

I work from home. I have one person who works for me full-time and

he also works from his home. The thing that enables me to do what I do at an exceptional level is that I partner with a wholesaler who supplies me with complete case management services. The wholesaler mails the policies out for me and contacts the insurance companies.

So basically you are a one-man show, a virtual worker who employs another person who is also virtual. And you have no formal office.

I'm a virtual guy who sold about 600 to 650 policies last year.

How do you make this work?

It's all about building a system. When people enter an application, I instantly mail it out the next day, I instantly schedule them a paramedical exam. And I'm in constant contact with every customer by email for everything that happens. My average underwriting time is two-and-a-half weeks. When I was back at MetLife my underwriting time was eight or nine weeks.

Can you quantify in revenue those 600 to 650 policies you sold last year?

What I'll say is that my average policy sells for around \$650. I will also say about half of my business is no-medical-exam life insurance. These are policies that are issued either instantly or within 48 hours.

What percentage of people who come to your site are looking for no-medical-exam life insurance?

I'd say it's about half, but it's a very difficult question to answer. Most people find me when they're looking to buy life insurance. When I run them a quote, I'll provide them with all the traditional policies that are medically underwritten, but I'll also provide a no-medical-exam option. When a lot of people see there's a no-medical-exam option, they're intrigued. So I'd say about 15% to 20% come looking first for no-medical. The rest of those who end up buying it see that it's an option, like it and buy it.

What advice would you give



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—Brian Greenberg,
CompassQuote

someone who wanted to follow in your footsteps?

First, I'd tell them it's best to become an independent agent. Second, I'd tell them to get contracts with the top life insurance companies that specialize in term life insurance. Third, I'd tell them to learn programming and website design or at least know who can help you with those skills, so that you can offer something unique. Finally, my advice is to be transparent. List your address, even if you work from home. Build a real business and don't rely on any sort of lead generation or spam.

What's the breakdown of your customers' demographics and the types of services they buy?

I'd say 50% buy medically underwritten term policies. Another 48% apply for no-medical-exam insurance. And maybe 1% or 2% buy the universal life product I sell. Essentially, the demographic is people from age 22 to about 55. The real sweet spot is 40 years old, 35 to 45.

I understand you're a digital guy, an Internet guy. This makes me wonder, do you ever actually talk to clients?

I do.

One hour a day, two hours a day?

I have a gentleman who works for me and handles most of the general questions. But he's not able to answer all questions because he's not licensed in all these states. So if I get emails and forwards with specific questions, I answer them either by email or by phone. At most, I'd say I spend a couple of hours a week talking with my customers. I've set my system up so that it doesn't require much interaction.

Where do you see the life insurance industry going?

People love the no-medical-exam stuff and they're willing to pay more for it. I get constant feedback saying that non-medical is just a convenience. They don't want to schedule a guy to come into the house and take their blood, and they don't want to answer intrusive questions. Now that we're getting to the point where we're going to store our records online and insurance companies are not going to need all this paperwork, they're going to be able to underwrite people in a couple of days.

And even the large companies today are moving toward digital signatures in applications. You're going to see more and more fillable applications. As soon as a big company figures out how to do it right, it's going to be big.

What other things do you foresee?

I see a lot of these insurance companies selling direct and promoting that they're selling direct. They're constantly telling their prospects to call an 800 number or go to their company's website. They're not telling them to call their local agent and in the process [they] are taking business away from their regular sales forces.

I think it's getting more and more difficult for life insurance agents because they're stuck selling products that are overpriced. It's so easy for the customer to go online and see a lower price from an A-rated company. But I don't see the traditional agent going away. Some people like meeting with somebody. Some people like to see you eyeball-to-eyeball and some people don't.

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