



The Laws of Attraction

In the last article, we talked about the importance of protecting your customers in these difficult economic times.

Many companies do; most companies don't.

That means that the bad economy may actually afford you an opportunity to attract more customers away from your competition. Customers who were previously satisfied with less - are now asking for more.

And when they do, you can be right there to catch them. How can you do that?

1. Add value.

Think of ways you can add value to your product or service that your competition doesn't have. Let me give you an example: Many companies use an automated inter-active phone system. "Press one to get more information. Press two for a brochure. Press three for..."

Companies love them because they save money. Consumers hate them. So several companies – such as Capital One - have actually included "talk to a live person" as a *benefit of their product*.

But doesn't it cost more? Southwest Airlines has always resisted the temptation to cut costs on customer service. When you call, you always speak to a live person. Funny how they are always one of the only airlines to make a profit.

2. Look for stronger offers.

In bad economic times, the temptation is to cut back on offers.

That's the wrong place to save money.

Suppose your company is offering a free report or white paper. Some bright young marketing person might suggest that instead of a written report, you offer it only as a PDF ("Just think of all the money we'll save on printing and postage!")

Yes, you will. However, a few other things will also happen:

(A) The weaker offer will reduce response. And these days, you just can't afford to lose a single good lead.

(B) Without a real document in their hands, the person who responds will have a harder time convincing their boss, or even their spouse, to purchase your product.

And **(C)** You have lost the opportunity for your information to be placed in a file, which they can go back to when they are ready to buy (and this might be in several months.)

3. Measure everything you do.

And then do more of what works. In a difficult economy, it becomes even more important to know the Return-on-Investment on every marketing dollar you spend.

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PROFILES OF SUCCESS
Joe Maioriello

Quotit Leads Program

- > Buy & Sell Leads Online
- > Access New Reliable Leads Updated Daily

Find Out More Today!

Sure, that giant billboard looks great – but can we quantify how many extra sales it produces?

Maybe that same amount of money would be better invested in an e-mail campaign. Direct mail is working well? Great, let's find more lists to mail to, or mail more frequently.

4. Cherry-pick your prospects.

You may not be able to afford to market to everyone - so make sure you are marketing to prospects with the highest potential.

Can you select those prospects that might spend more on your products or services? Is there any way you can target your competition's best customers?

Finally, one of the best ways to attract new customers is to ask your existing customers for referrals. It's also one of the most cost-effective ways.

The Laws of Attraction By Alan Rosenspan, Alan Rosenspan & Associates
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Profiles of Success: Joe Maioriello

This spring, we interviewed long time Quotit customer Joe Maioriello. Joe explains how his business sense and use of Quotit have helped him build a health insurance agency from the domain name up over the past eight years.

Tell me a little about your agency and what insurance lines you market.

I sell health insurance, life insurance, disability, long-term, and annuity. I've been doing this for 33 years. I market the health insurance, both group and individual – mostly group – and that's how I get the other insurance sales.

How has your agency changed the way you do business in the last few years?

It became a lot of tougher. What do you do in a down economy? You work harder. You go back to the basics. That's how you got where you are – it works. It's an ever-changing business to begin with and now you have a bad economy.

I do all my renewals in-person. Everybody I talk to is a suspect. Then, if I'm lucky, they turn into a prospect and then a client. Anyone can sell insurance. The tough part is finding someone to buy it. Right now, you have to be proactive.

What types of traditional marketing do you use?

I do some advertising in the newspaper and Yellow Pages. I do some online advertising and I use a money-mailer. The money-mailer is amazing. With the Web site address right on the back, people go right to the site and buy online. Right now, that probably is the most effect marketing tool we use, but, in today's market, you have to use everything. In this ever-changing economy, you have to keep evolving. Word of mouth is still huge – and it works.

What expectations do you have when running a marketing campaign?

You never know, but you expect to have a 2 percent response rate.

How do you provide proposals for customers?

I download the proposal, make an appointment, and then go see them. The beauty of having a Web site, though, is that I can make all the changes on my laptop with my client right there. I can run proposals right there with my clients.

netQUOTE

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Let NetQuote deliver you cost-effective, targeted insurance leads from ready-to-buy consumers.

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What challenges did your agency face during this time?

You're facing a downturn in premium. The employer is now charging the employee and people are dropping off. The premium goes down and hence the commission goes down. Everyone's laid off or if they're not laid off, the companies they work for are not replacing the ones who are leaving.

"The number one thing it has given me is the ability to provide a quote on the spot. In today's world, people want to know what's on your Web site, and having a Web site gives a lot more flexibility to me and my clients."

- Joe Maioriello
Maioriello Insurance Services, Inc.

What led you to look for other ways to market and sell insurance?

Again, it's survival. When you lose literally 35 percent of your income in one year, it's a hard challenge. To even get in (to see a possible client), you somehow, someway have to get to the right person – the one making the decisions. Before I make a presentation, I have a conversation with the person I'm speaking with and find out who's going to make the decision and then I focus on that person.

How has Quotit helped your agency?

Quotit has helped me in many ways. The number one thing it has given me is the ability to provide a quote on the spot. In today's world, people want to know what's on your Web site, and having a Web site gives a lot more flexibility to me and my clients.

How has your business benefited from Quotit's proposal system?

The efficiency of the proposal system is amazing. I can get quotes whenever I want, wherever I want, and can literally hand a quote to someone in minutes.

How did your agency's client and sales management change with this proposal system?

We have freed up time to do other things. It benefited us more than anything with its ease-of-use, not having to go through a third party for quotes, and having information in seconds. The ease-of-use is amazing. I've looked at other quoting systems and there's no comparison. *If* you need to call, you can talk to someone **today**, not tomorrow.

What impact has been made by taking your business online and creating your agency's website?

More than anything, the main benefit of having the site, is being able to be where I need to be at anytime. I don't have to say I'll have to get back to someone. I can get it right then and there. You're closing ratio definitely goes up when you're using a quoting engine. Everyone wants knowledge and information now. If you don't have a quoting system today, you're living in the Dark Ages.

What percentage of your business now comes from online?

Somewhere in the 7 percent range.

Can you go over how your agency manages visitors that go through your site?

We do it with an e-mail back to them, asking them for more information. I leave my own cell phone number on there, too. We follow-up at least 5 times. There's also an auto responder feature you can use through Quotit that's even easier.

What is the biggest value added by offering online proposals to customers?

It's instant. You can literally get a quote to someone within 10 minutes. They can apply online for an individual policy – not with all the carriers, but most.

What is the biggest factor that has made your agency more effective since working with Quotit?

It's layered. Now you have the ability to get a hold of somebody through e-mail and get quotes out to them quickly. It's nothing more than a system that makes your life and their life easier. You can do it all with a few clicks of the mouse, and then you're done.

What do you like to do in your spare time?

I work out a lot. I'm training for a triathlon. I've been running many triathlons and I'm training for one in June in San Diego.

Where do you see your agency in the next 5 years?

Coming back real strong. I think this economy is going to turn. I don't see a big turnaround until 2012. I think you just have to put your nose to the grindstone. It's a matter of not losing site of who you are and where you want to be. It's a matter of showing by example. You have to build a business when it starts to come down. It's not coming down because I'm losing business, its coming down because things are changing.

In your opinion, will online technology play a role in your agency's success in the future?

Yeah, it will, of course. It will play a role in the fact that it will be ever-changing.

Changes in Medicare Advantage Reimbursement May Prompt Members to Shop for New Plans

Deft Research Releases Study showing state of the senior health care market

MINNEAPOLIS, March 31 /PRNewswire/ -- Deft Research recently released the 2009 Senior Market Dynamics Study, which describes switching and shopping behavior in the senior health insurance market.

When premiums go up \$15 -30, the study found that 45-75% of the Medicare Advantage market will be mobilized to shop for different health insurance. The study found that at a \$5 dollar premium increase 20% of MA members would ask their current insurer for alternatives to their current plan, and 17% would look at plans from different insurers. If faced with a change that made them want to switch their plan, 61% of MA members said they would stay in an MA type product, while 18% would choose to have original Medicare only and 21% would choose a MedSupp plan. This willingness to change plans is big news to MA providers, and understanding how hard they can push members before they will look for different insurance will be vital information in this market.

Over 1,500 seniors participated in this study conducted in February and March of 2009. The study asked questions that are responsive to a need to understand consumer behavior under changing premiums and benefits. Recipients of the report will also have the opportunity for a teleconference presentation, and receive follow up research and technical assistance, and monthly Executive Research Briefs.

Last month, the Center for Medicare and Medicaid Services (CMS) announced lower than expected reimbursement for Medicare Advantage plans. "This change will have a dramatic effect how MA plans build and price their products," says Deft Research's Principal Rich Hamer, "Many seniors will see a reduction of benefits, an increase in premium or both. Deft's new Senior Market Dynamics Study looks at the reaction of consumers to these types of changes."

About Deft Research, LLC

Deft Research, LLC is a market research firm specializing in custom and syndicated research designed for those in the healthcare, insurance, and pharmaceutical industries. Deft Research works with management to define pertinent issues and conducts research that guides management and allows them to make better, well supported decisions.

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