2ⁿᵈ Edition: Updated 2021

THE SALES
REVOLUTION

Digital Disruption Demystified:
The Ultimate Guide for Driving Agency Growth

DON BAILEY AND **JASON LIU**

The Sales Revolution

Contents

Preface

___

*"All revolutions
are impossible until they happen.
Then they become inevitable."*

— Albie Sachs

For several years, we've thought about writing a book—a book that embodies our passion for the work that we do, the people we serve and the industry we care so deeply about.

Over the course of our careers, we have witnessed monumental change within the business world as it relates to both selling and servicing—and now we're seeing that same changing landscape apply to the broader insurance industry. The world that we entered fresh out of college has been transformed—and our servicing and sales processes need to adjust with it.

Five years ago, we were fortunate enough to cross paths during our work at SAVO (Jason as CEO) and at Marsh (Don as President of Global Sales). Through these early conversations, we discovered a shared passion for sales, coupled with insatiable intellectual curiosity and a real desire for personal and business improvement. We have been close colleagues ever since.

About a year ago, we made the exciting, yet overwhelming, decision to write a book. A book that would act as a strategic guide to help insurance leaders weather the seismic market changes ahead and better understand how to sell, service and operate in the new digital landscape. As you can imagine, putting all this into words was no simple task. And it was a task made even more arduous with the COVID-19 pandemic, which—like for many of you—caused significant upheaval in both our personal and professional lives.

While a myriad of questions remain about the long-term impact of the coronavirus, we've amended the book to include relevant insight where possible to help you and your agency navigate this crisis, while keeping a focus on the major market disruptions already at our feet.

The digital disruption is here, and it has brought with it the need for a Sales Revolution. How you respond is now up to you. We hope this book will help.

Jason Liu

Don Bailey

1

Change

Long before cellphones, Starbucks and Twitter—there was insurance. You can look back to the advent of society and find some form of the concept.

In 4000 B.C. Babylon, contracts protected merchants when cargo was lost at sea. In ancient Rome, burial societies paid the funeral costs of their peers using funds from monthly dues. In the 1930s, the Social Security Act ushered in unemployment compensation and unprecedented retirement benefits.

Yet, despite its long and vibrant history, the insurance industry has remained largely unchanged over the years—at least until now. Digital disruption is here, and it's altering the face of insurance as we know it. Moving forward, agents must manage heightened consumer demands, shifting definitions of risk, and the prospect of big data and tech to successfully navigate industry changes.

And these changes aren't just an evolution, they're a revolution.

COVID-19: The Ultimate Disrupter

While the demand for a tech-inspired experience existed far before the pandemic, the crisis has lit a fire and exposed the inefficiencies of traditional insurance processes. While the long-term impact of the coronavirus is yet to be fully seen, agents should expect to see a fundamental shift in the way insurance is sold and serviced moving forward.

The Age of Self-service and the Digital Transformation

Insurance has evolved far beyond what it used to be. One such change relates to the way customers find and purchase coverage. Today's insurance buyers demand a technology-inspired experience that can be done almost entirely virtually, and it's reshaping the insurance industry.

For personal lines policyholders, nontraditional, technology-based insurance companies offer customers on-demand, pay-as-you-go coverage options that simplify the underwriting process.
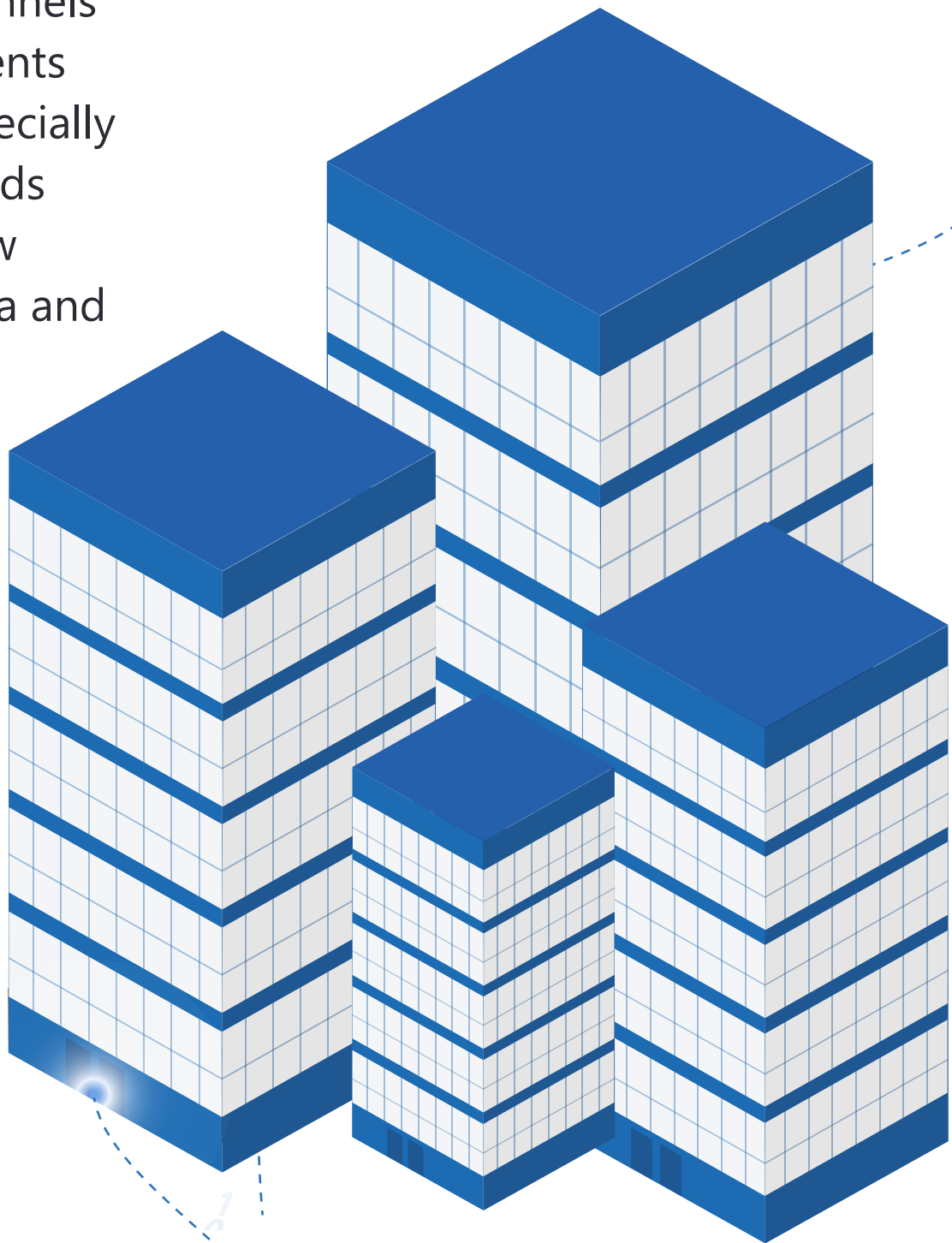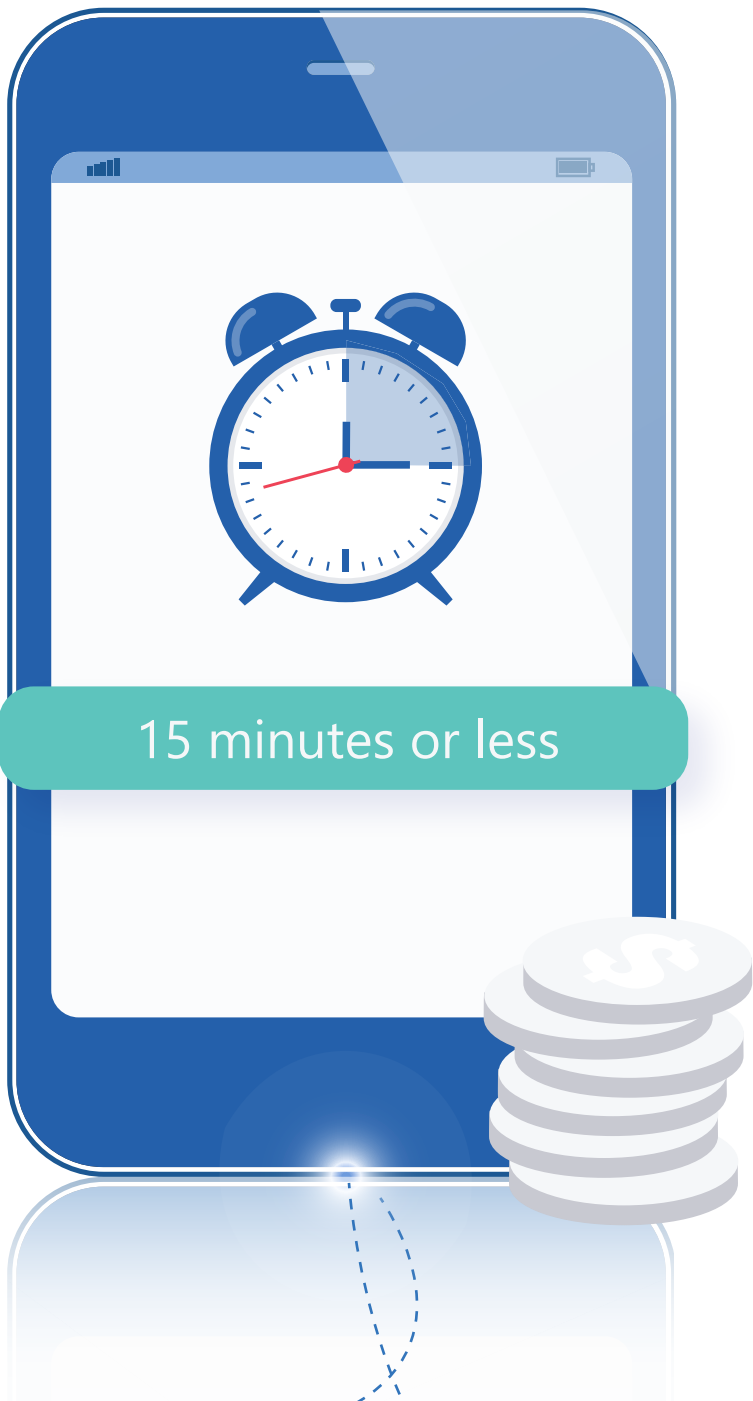
On the benefits side, clients and their employees want more transparency and self-service options when it comes to their health and ancillary benefits. Providing self-service portals for plan documents, claims submissions and online enrollment is no longer a way to differentiate yourself from competition—it's a standard offering that clients expect. And, these expectations are growing by the day.

Whether they work with an agent virtually or entirely through self-service, consumers demand an element of technology throughout their entire buyer's journey. As digital channels in insurance continue to gain traction, agents must adapt in order to survive. This is especially true when you examine other seismic trends affecting today's agencies, including a new definition of risk and the arrival of big data and innovative tech.

15 minutes or less

The Shifting Definition of Risk: Big Data, New Tech and the Sales Revolution

As innovation in the industry grows stronger, agencies are witnessing a fundamental shift in the very definition of risk. Major insurance institutes like IRMI describe risk as "uncertainty arising from the possible occurrence of given events."

Using this definition, it's best to think of risk as the probability of a cause and effect. How likely is it that a fire will break out and destroy a business? If a person gets into a car, what are the odds of an accident? As a person ages, will they be prone to more illnesses and need access to better health insurance?

This is traditional risk calculation boiled down to its most simplistic form, and it hasn't had to change much over the years. That is until data and technology began to influence the insurance market.

Today, insurers have insight into risk at a micro level, thanks in part to the vast amount of information available at their fingertips. It's no longer an inexact science, and underwriters can calculate the probability of a workplace fire based on the industry the policyholder operates in and the kinds of equipment they use. They can tell you the odds of an auto accident based on an individual's location and driving record. They can even tell you what types of illnesses an individual is prone to based on demographics alone.

Insights of this kind change how we think about and calculate exposures. But this is just one piece of the pie, as the arrival of tech-based economies has further redefined risk for the modern age.

In 2020, the idea of a self-driving car extends beyond sci-fi films and Jetsons cartoons. Workplace automation and tech-based tools like applicant-tracking software, bot-driven help desk systems, automated communication systems and data analytics are making businesses more agile and futureproof.

With each and every advancement and new business model, the status quo is disrupted. As a result, the way agencies approach insuring property, organizations and employees needs to change. For proof, you need only look at the examples we just listed:

Autonomous vehicles may improve driver safety to a degree, but they're vulnerable to a plethora of cyber attacks—risks that continue to dominate headlines and infiltrate numerous lines of coverage. And it's not just cars. All Internet of Things devices are susceptible to attacks, and agents must remain flexible as new cyber and data exposures threaten policyholders year over year.

According to a global survey by Accenture, **security breaches increased by 67% between 2014 and 2019.**

As workplaces strive to offer more remote work options and integrate more technology into their operations, new cyber exposures will appear across multiple lines of insurance.

In the benefits space, employers now need to worry about protecting not only their company's proprietary data, but also employees' confidential data. Moreover, providers and carriers must prioritize safeguarding electronic protected health information to avoid a catastrophic data breach.

In the commercial insurance markets, carriers created stand-alone cyber policies as a way to set clear distinctions from other types of coverage. However, a large part of the market is now focusing on adding cyber coverage to property, general liability and crime policies in order to address potential gaps. Differences in these types of policies can be confusing to your clients, and they will need your expertise more than ever to help them understand their risks and safeguard their business.

These are just a handful of changes facing carriers, agents and the clients they serve. Simply put, traditional risk calculation models—and the agents who use them—must evolve to keep pace.

Thankfully, in the same way technology has altered the risk landscape, it has afforded agents with more growth opportunities. Telemetrics, machine learning and data analytics have provided greater insight into the risks that affect every industry and line of coverage. Data is so granular, in fact, that it can influence underwriting, rating, pricing, forms, marketing and claims handling. Predictive analytics allow insurers to more accurately forecast future losses, which allows them to recommend tailored risk-management advice and solidify themselves as a thought leader in the industries they serve.

These technological changes and the opportunities they provide are all a part of what I like to call the Sales Revolution. The Sales Revolution is all about leveraging new ideas and technology to sell and service your prospects and clients more effectively and efficiently. It's about marrying great people and innovative technology—all backed by an understanding of the disruptive forces affecting your agency, the competition you're up against, the ways you can differentiate your business, the risks you face on your journey to success, and the actions you must take to not only survive the disruptions, but thrive.

In the Sales Revolution, those who view technology as a threat will not be able to keep up with the industry's changes. Those who view technology as an opportunity will be able to modernize and grow their business, while navigating the industry's seismic changes and challenging the competition.

So, the question then is: Is technology an opportunity or a threat? Can your agency survive without a technology-inspired platform? What other challenges await you on your Sales Revolution journey?

**Chapter 1
key takeaways:**

1

Unprecedented change is here, and the stakes have never been higher—fade, sell or transform.

2

Agents must learn to manage growing client expectations and the new risks in front of them.

3

Data and technology have created an opportunity for reward through the Sales Revolution.

4

Change must be embraced as an opportunity, not a threat.

2

Competition

As demand for self-service options increase and new definitions of risk drive unprecedented change, industry competition will heat up. There's no way around it. In fact, digital and industry disruptions—coupled with a hardening market and high M&A activity—will create the perfect storm, giving nontraditional competitors the tools they need to challenge incumbent agents.

A Hardening Market and Record M&A Activity
After approximately 20 years of a soft, buyer-friendly insurance market, the industry is moving toward a firming or hardening market—one that will be less welcoming to insurance buyers.

While the long-term financial impact of COVID-19 will likely take years to play out and will be specific to the unique circumstances of each insurer (e.g., policy language, pricing, reinsurance

coverage and underwriting mix), experts are already forecasting double-digit increases for many types of coverage.

The hardening market is also due to a multitude of factors that existed before COVID-19, as the industry has experienced high loss ratios since 2013, which were largely caused by increases in severe weather events, property/liability losses and higher litigation costs. These insured losses have been gradually rising without any corresponding premium increases—that is until now.

Global GDP growth is expected to shrink by **3% during 2020**, according to the International Monetary Fund (IMF). The IMF has predicted a partial rebound in 2021, but notes its forecasts are marked by **extreme uncertainty** depending on the course of the global pandemic.

As a result, we are seeing a quick plunge into a hardening market and reluctance from new capital to re-enter the market until signs of market stabilization occur—all of which could take time as businesses continue to navigate the supply chain and operational disruptions brought on by the pandemic while preparing for an uncertain future.

Unfortunately, some agents will not want to (or be able to) keep up with these changing market forces, and the need for cost reduction will compel some legacy agencies to sell to better-capitalized firms. We saw M&A skyrocket in 2018, with more than 600 acquisitions among agents. This is a night-and-day difference when you examine data from

just six years ago—when there were fewer than 100 deals, and M&A activity was at its slowest pace in years.

While many M&A deals have slowed for the time being, similar to what we've seen following other crises like the Great Recession, the M&A boom we witnessed in previous years will likely continue once some level of market stabilization has occurred, meaning it's likely that fewer and fewer agencies will be operating in the future. What's more, the agencies that endure will likely be the larger ones that have the resources to invest in technology, which will continue to drive market change. And this concept isn't unique to the insurance industry.

Consider how technology-based companies like Uber and Lyft disrupted the taxicab industry. Before the arrival of ride-share giants, the taxicab industry remained stagnant and unchallenged. If you needed a ride to the airport or a business meeting, you hailed a cab. Because it was one of the only transportation options available, the industry succeeded for decades—until just a few years ago. Now, if you need transportation, you don't call for a cab. Instead, you open an app on your phone, type in your destination and your ride arrives.

In Q1 2014, **ride-sharing companies had 8%** of the business traveler market, rental cars had 55% of the market and **taxicab companies had 37%** of the market. Compare this to Q1 of 2018, when ride-sharing companies grabbed 73% of the market, rental cars had 22% of the market and **taxicab companies held only 5%.**

Companies like Uber and Lyft came seemingly out of nowhere, disrupting the taxicab industry to the point where these companies are fighting to survive in their changed industry. And while these companies (like most) are facing enormous challenges in light of the COVID-19 pandemic, they are better equipped to handle the seismic shifts being thrown at them due to the digital tools at their disposal.

For instance, Uber and Lyft have been able to supplement ride-share services by launching essential delivery pilots and partnering with local restaurants and stores to digitally deliver goods on demand. The ability to pivot thanks to technology has enabled them to continue bringing in revenue (albeit a smaller amount) as they manage the COVID-19 pandemic and will better equip them to deal with future market disruptions.

All of which begs the question, are you the taxicab or Uber? How will you adjust to meet the face of the insurance industry's version of Uber and Lyft?

Say Hello to the New Competition
In the insurance industry, it's not Uber and Lyft competing with agents and driving industry change. Instead, retail giants like Walmart, technology leaders like Amazon and Google, and larger agencies with the resources to modernize are gaining market share.

For example, the nearly $70 billion merger between CVS Health and Aetna Inc. has the potential to transform the health care and insurance landscape. Together, the two companies could provide care directly to consumers at CVS pharmacies and retail clinics, and offer one-stop health insurance shopping to employers.

Amazon and Cigna Corp also made moves of their own, with Amazon's acquisition of online pharmacy, PillPack, and Cigna's acquisition of pharmacy benefits manager, Express Scripts. Amazon is involved in other prominent industry partnerships, joining forces with JPMorgan Chase and Berkshire Hathaway to achieve their goals of delivering simplified, transparent and affordable health care.

Amazon has also partnered with Oasis Medical Group to launch a pilot telemedicine-based health care service for its own employees in Seattle. Amazon's entrance and continued expansion into the market has the potential to shake up the industry. Moreover, these M&As between traditional and nontraditional competitors are putting pressure on incumbents to increase efficiencies, convenience and transparency.

On the personal lines side of business, insurtech startup companies promise consumers instant access, ease of use, cost savings and automation. Tesla is the latest, and one of the most prominent, nontraditional competitors to enter this space with its launch of Tesla Insurance, a competitively priced auto insurance offering for owners of its vehicles. This is a flow of commerce strategy. Companies offer to enroll you in an insurance policy at the point of sale without ever getting you in the door of an insurance agency. This is another example of how the competition is changing and how tech continues to break down barriers. On the commercial side of business, technology
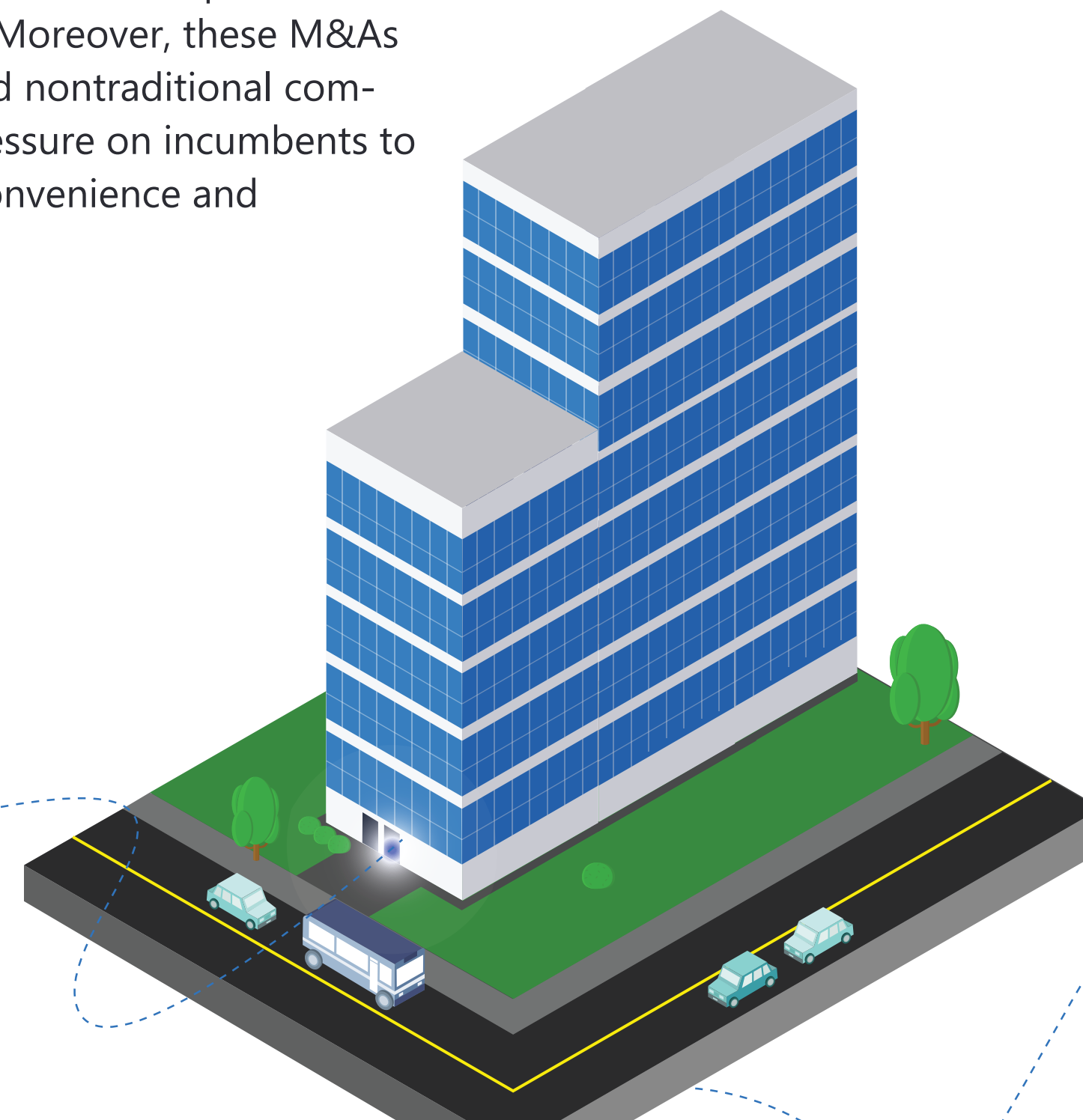
I started my career underwriting directors & officers liability coverage. The brands we served and capabilities we had were both strong, and we marketed ourselves accordingly.

Over time, competition emerged from smaller, more nimble carriers. They didn't have our brand or capabilities, but their delivery was impressive. Their delivery skills were so good, in fact, that it made their capabilities seem greater than they actually were.

As an established player, it's critical to invest time in your delivery. If you start to lose market share, it will be because your competition found a better way to deliver products, solutions and content than you. They will show up better than you. The customer experience will be better.

Your brand and capabilities are important, but they don't exclusively define the playing field.

- Don Bailey

makes it possible to use telematics to provide a direct source of customer insight. With readily available and accurate data, it's easier and faster for insurers to execute on core processes like analyzing claims and underwriting policies. It's not just underwriters and agencies enjoying the benefits of telematics—it's also consumers. Consider employers that manage large commercial vehicle fleets. Telematics allow them to track driving behaviors, giving them insight into how fast they're driving, how hard they're braking and whether or not they're on their phone while driving.

As consumers grow more accustomed to the convenience and transparency that these well-capitalized and tech-inspired new competitors provide, the pressure on traditional players to adapt will continue to grow. As agents face the mounting pressure of new competition, they will need to adapt to the industry and invest in resources to survive.

Challenging the Competition

Surviving and thriving in the Sales Revolution isn't easy—but it's not impossible. It's up to agencies to overcome complacency and challenge the competition. The legacy insurance sales model was transaction-based, and many bought insurance from an agent because they knew them and they were transactionally competent.

That value proposition is no longer applicable in today's market. It will be massively disrupted. The expectations of today's customers are exponentially greater than those of the past— and these expectations grow daily. Agents can no longer rely on the old ways to succeed. They need to establish new strategies to capture the attention of customers.

The value proposition of yesterday will fail tomorrow. Agencies must consider implementing significant changes.

Agents today have a choice: Adapt to the changing times to survive, or stick to their ways and fade. How will you challenge the competition?

**Chapter 2
key takeaways:**

1

The hardening market will transform the industry and change customers' expectations.

2

Relationships based solely on transactional competence are a thing of the past.

3

Nontraditional technology companies will further drive the need for agencies to digitize.

4

Agencies must leverage technology to compete and survive.

3

Differentiation

In a Sales Revolution world, insurance buyers are more self-sufficient than ever before. They have unprecedented access to information, which makes them skeptical and judicious when they're pitched to. What's more, they have options, which means you can no longer rely exclusively on old tactics to differentiate yourself.

Differentiating in the digital world is expensive, complicated and an absolute necessity.

But how do you accomplish this and stand out from the competition? The answer lies in understanding the new insurance buyer and creating a story that resonates and conveys trust.

Impact of the New B2B Consumer

We've already discussed how today's consumers are independent and demand self-service options. But the differences between insurance buyers of yesteryear and today go much deeper than that. And having a basic knowledge of these differences is crucial as you work to differentiate yourself from the competition.

Simply put, more of today's insurance buyers are digital natives—individuals who have grown up with and have a deep knowledge of technology. They understand technology and the ease it provides. Furthermore, they're increasingly tech-savvy and demand solutions and services that are equally state-of-the-art and forward-thinking.

These consumers want the perfect blend of smart people (that's you), content and innovative technology—technology that enhances the customer experience and is in line with their digital habits and needs.

Between clicking, tapping and swiping, the average consumer touches their phone 2,617 times a day.
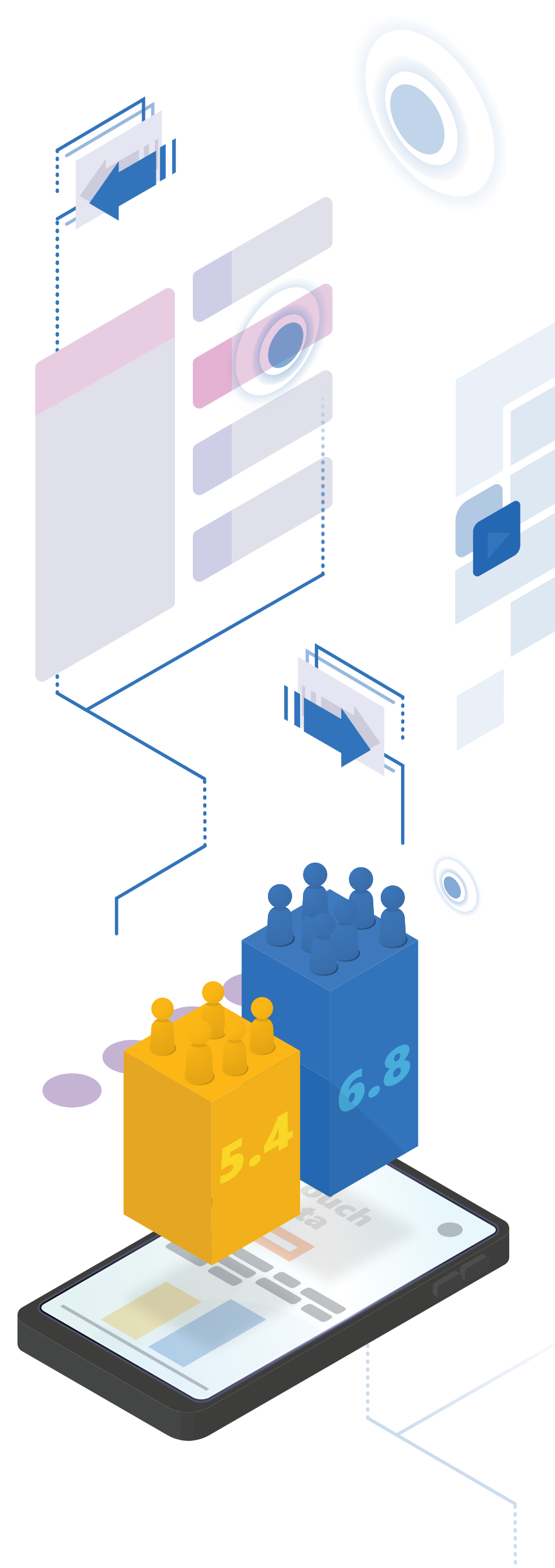
With the explosion of technological growth, how digital natives perceive information and services is different than any previous consumer, and they often prioritize easy-to-access and on-the-go solutions above all else. Further complicating matters, these new consumers are increasingly involved in a business's purchasing decisions and can influence other more traditional insurance buyers when securing coverage.

The number of individuals involved in B2B solutions purchases has climbed from an average of 5.4 two years ago to 6.8 today. Furthermore, these stakeholders come from a variety of roles, functions and demographics.

You now have to market your agency and its services to a room full of decision-makers who not only have a deep understanding of tech-inspired solutions and how to use them, but who your competitors are and what they have to offer.

Whether they're choosing commercial policies or employee benefits packages on behalf of the companies they run, digitally savvy leaders want an agent who is able to meet them on the same fast-paced level. Many agencies are already doing this and are finding success, too.

For instance, Allstate allows customers to send pictures of an accident through their app to a claims adjuster. Through this method, claims processing occurs in a matter of hours, and customers don't need to take time off work or spend hours on the phone.

Liberty Mutual allows customers to use Alexa-enabled devices to ask questions about their policy or even connect with an agent directly.

But you don't have to be a nationally recognized carrier to adopt these strategies—you just have to understand the concepts and be willing to pivot. In fact, through technology, smaller agencies have the opportunity to make a team of 20 feel like 200 by automating processes and connecting with clients quickly and efficiently. What it really comes down to is an issue of mindset.

For those resistant to tech-inspired ideas, it's important to remember that today's organizations aren't using technology to become robotic, faceless insurance providers. What they're

actually doing is using technology to improve the customer experience and supplement otherwise mundane tasks, freeing up agents to interact with customers in more meaningful ways.

Explaining complex policies, walking through your client's risk profile, acting as a trusted advisor—the human element can never and should never be replaced. The key is marrying technology and people throughout the insurance distribution process. So, while you can't take agents, underwriters, account managers and producers out of the equation, you can use innovative solutions to make everything more streamlined, meet the demands of current and prospective clients, and stand out from the competition.

With the knowledge of who these new consumers are and what they want, you have an opportunity to rewrite your story—a story that differentiates your agency and helps you win the trust of clients and prospects.

What Are Today's Insurance Customers Looking For?

- *Online access to account data and customer service*
- *24/7 access to expert advisors*
- *World-class content*
- *Omnichannel engagement*
- *Hassle-free claims management processes*
- *Timely risk management advice delivered to them digitally*

Story Selling and Conveying Trust

Expertise is king, and to win in today's environment, you need to brand yourself as an insurance expert and gain the trust of your clients and prospects. This is especially true in the Sales Revolution, where consumers are well-informed and have tons of options at their disposal. The barometer of growth used to be entirely based on referrals, relationships and transactions. It was the winning recipe. If an agency could get referrals from current customers, create long-lasting relationships with those referrals and complete transactions proficiently, they'd win. Life was simple.

However, agents aren't paid solely for what they do anymore (e.g., comparing policies or generating benefits packages), but rather what they know. This is even more true in the post COVID-19 world, as clients were exposed to unprecedented risks and many were left unaware of huge gaps in their coverage that severely impacted their businesses.

Moving forward, relationship-selling as we know it will no longer be enough. Relationship selling needs to be supplemented and enhanced with deep subject matter expertise. To do this, you will have to demonstrate and build trust—both as it relates to your character and your competence.

In today's world, it's no longer enough to simply tell clients and prospects where your value as an agency lies—you have to show them. Your skills, your solutions and your services—they all need to be part of your story.

The Importance of Storytelling

Stories are memorable. If you simply dump a bunch of data and facts about your organization on your clients and prospects, they aren't going to remember you. Good, targeted stories can leave a lasting impression on people, which is especially important when

following up on a sales call.

Stories are emotional. At their core, good stories are thematic and have an emotional element—one that inspires action. It all comes back to showing your clients that they can trust you with their business, rather than telling them. For proof, you need only ask yourself one thing. What's more effective—telling someone about the solutions your agency offers, or showing them how your solutions created measurable value for your clients?

After all, trust is everything for today's insurance buyer. Trust in your character and your ability to establish a productive, beneficial relationship with your clients. Trust that you can competently recommend and underwrite specific policies on their behalf. Trust that you can secure the best value. Trust that you can service your customers better than anyone else. Trust that you can provide content and insights to help your customers make better decisions.

If your prospects can't trust you with their business, they're going to move on to one of your competitors. It's as simple as that. That's why every sales pitch, every interaction, every call and every email needs to center around trust. Because the game has changed, and your agency's story needs to evolve in tandem.

Gaining Trust: Elements to Highlight When Telling Your Agency's Story

• *Highlight how your agency provides easy, digital access to policy documents and information.*

• *Detail what your user experience is like. Is it seamless? Does it contain elements of self-service?*

• *Offer credentials that are based on measurable success metrics.*

• *Provide an overview of your insurance products and how they can solve your prospects' pain points. Are they flexible, and can they be tailored to the unique needs of your prospects? Remember, selling solutions is more effective than selling products.*

• *Describe what your agency provides that no one else can. What subject matter expertise do you offer that makes your agency the right fit for your prospects?*

Above all, the biggest hurdle you face in the digital age is within your own agency and your ability to alter your approach. As consumer needs continue to evolve, those that hold tight to product-centric ideals will lag behind, capture less market share, and fail to connect with customers on a deeper level and gain their trust.

So, you could cling to your agency's same old story over and over again and expect a wave of new customers to come. Or, maybe it's time to try something else. Because if you don't tell your story, someone else will.

"When I was the president of B2B at a Fortune 500 insurer, it became clear that our customer retention rates were positively impacted when the relationship with that customer was defined by more than an auto policy.

If we could find a way to expand our customer relationships to three or more products, we almost never lost that customer. So, it was critical that we found an even more effective way to insure customers' homes, motorcycles and lives. Expand the relationship and growth, revenue and profit expands also.

So, how do you get an organization to embrace this effort? How do you create something that galvanizes a workforce around a goal?"

- Don Bailey

**Chapter 3
key takeaways:**

1

Technology has created a new kind of insurance buyer, and you must adapt to meet their digital needs.

2

Relationship selling as we know it is dead. Moving forward, deep subject matter expertise will reign supreme.

3

Agencies need to combine people and technology to deliver a best-in-class customer experience and instill trust.

4

Storytelling is king when it comes to winning the trust of your clients and prospects.

4

Risk

If there's anything certain about digital disruption and the Sales Revolution, it's this: Legacy agencies are built on foundations that demand modernization. And, as the business environment evolves, so must those foundations. And while change doesn't need to happen all at once, if agents keep waiting, they will suddenly feel the realities of digital transformation and it will be too late to adjust.

"How did you go bankrupt?" Bill asked.

"Two ways," Mike said. "Gradually and then suddenly."

*- Ernest Hemingway, The Sun Also Rises.*

Changing how you've done business for decades isn't easy—and it's not meant to be. In an industry that's never faced such disruption before, making such drastic changes isn't just scary, it's also risky.

In previous chapters, we've discussed risk in terms familiar to us as insurance professionals (e.g., how a new definition of insurance risk impacts the industry). However, it's equally important to think through risk in a more traditional sense (e.g., what risks affect your business in the Sales Revolution).

Sure, agents have had to navigate risk to win and sustain business, but they've never undergone a risk as big as digital transformation. And, because it's unfamiliar, many agents are stuck unpacking the realities of risk. They're asking themselves: Should I, or should I not take the risk? If I do take the risk, what's the opportunity? If I don't take the risk, what's the consequence?

Agents must decide whether they want to face the pain of discipline by dealing with the realities and risk of digital transformation now, or face the pain of regret by pushing off the digital transformation and risk going out of business. The pain of discipline is short-lived, while the pain of regret lingers. So, the question is: Which risk will you take?
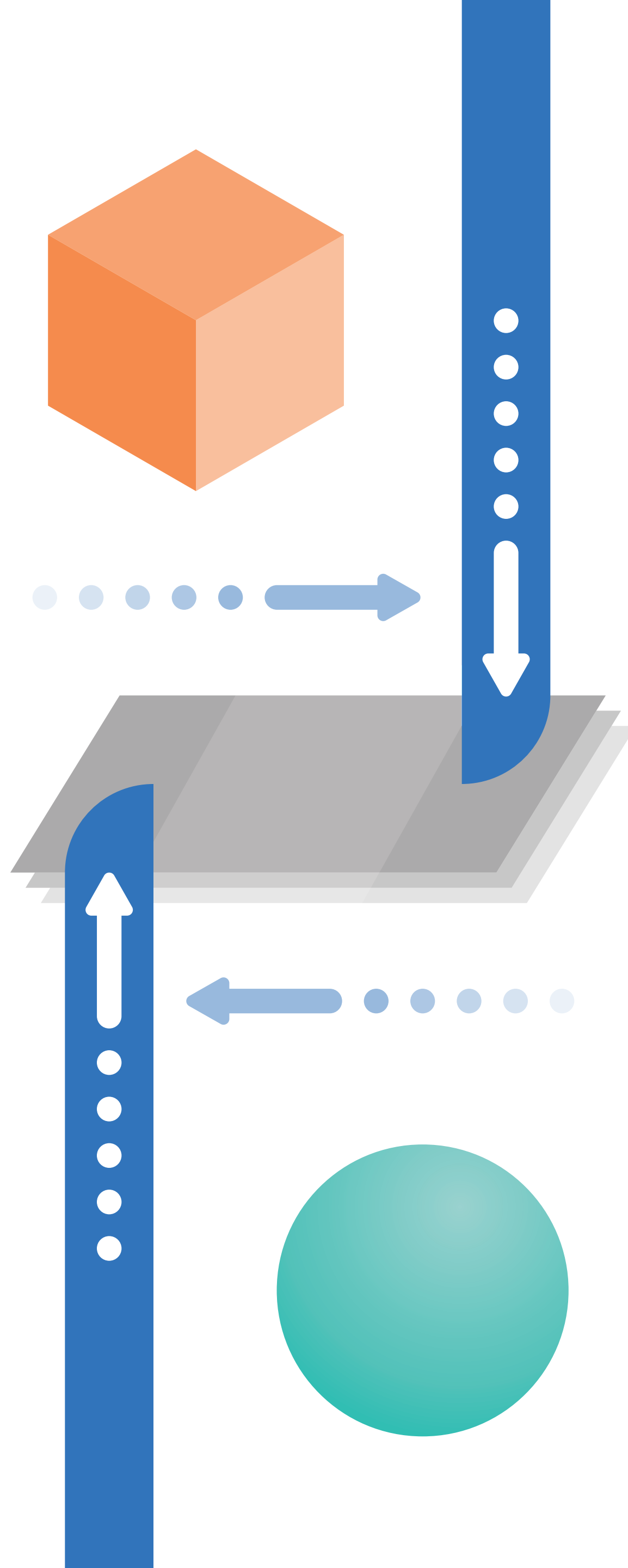
Face the Reality of Risk

Many agencies become consumed by the big picture of the digital transformation and how technology will change their overall business model. When you focus on the outcomes of tech-inspired change, it's hard to see what the true risks of making necessary change may be.

As such, it becomes overwhelming to consider making such changes when you don't know what risks truly lie ahead. When this happens, it can make it that much more difficult to achieve your goals. The three biggest risks agencies face when navigating the digital transformation include:

People — An agency that is trying to keep up with industry changes must have skilled, empowered and disruptive employees on its team to see the journey through to the end.

Capital — The will to keep up with nontraditional competitors and larger agencies isn't enough—agencies need to have the capital to invest in technological advancements.

Culture — Change is necessary, but it can be scary, especially if it's not properly managed. Agencies that want to succeed must embrace change and execute an effective change management strategy that views change as an opportunity, not as a threat.

Agencies need to do more than just recognize these risks; they need to address them through strategic changes. Responding to and managing these risks is a dynamic process, especially because people, capital and culture are all interconnected, meaning that you can't just focus on one risk.

For example, you can't address the risk of not having the right employees to make the necessary changes if your organizational culture doesn't embrace change. Likewise, you can't hire the right people for your team if you don't have the available capital to do so. Agencies must strategically address these risks by creating the right team, finding available capital and establishing a change culture if they want to endure digital disruption and succeed in the Sales Revolution—and they can't wait much longer.
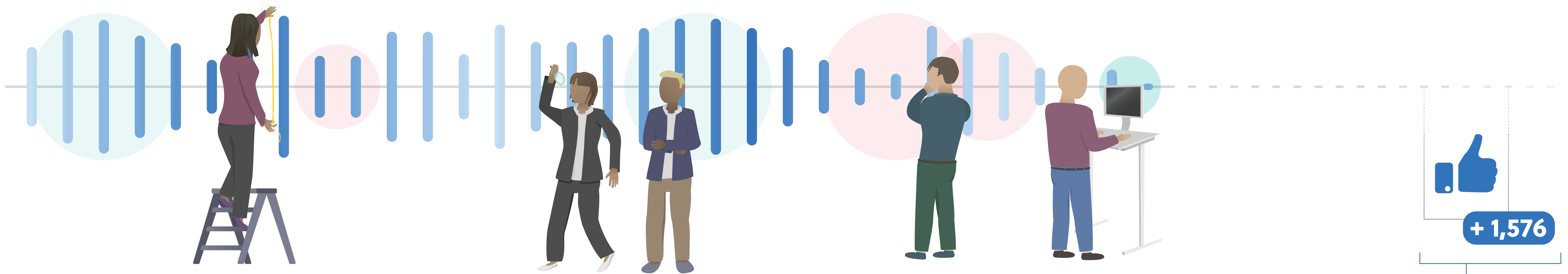
Create the Right Team

Navigating digital transformation is risky, especially if you don't have the right people on your team. Does your agency have employees who can go on your impending journey? Do you need to train employees to give them the tools they need to succeed? Do you need to hire new employees? Figuring out the answers to these questions is essential to determine how your agency manages its journey of change from a human capital standpoint.

The demands of a modern digital agency are vastly different from those of a traditional legacy agency. As technology continues to revolutionize industries across the globe, businesses have felt the pressure when it comes to finding tech-savvy employees. Agencies need to have employees across all levels with the necessary skills and mindset if they want to achieve their goals.

It's not just individual contributors who need to possess digital skills. It's managers, senior leadership and C-suite executives, too. Whether you look to hire senior-level digital natives or focus on digital education, prioritizing digital skills in your agency is crucial. Some of the most important skills to look for include:

Data analytics — As the availability of data increases, it's essential for employees to know how to analyze and manage big batches of data.
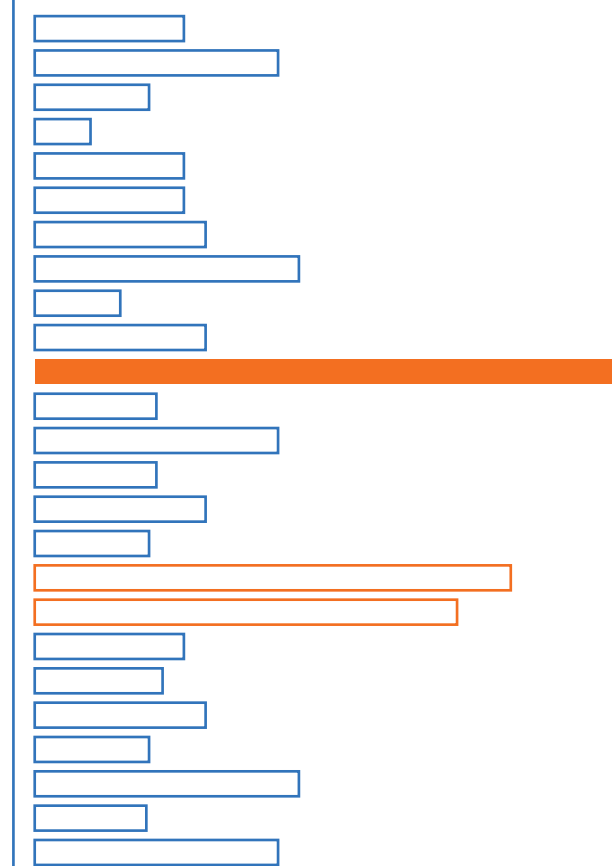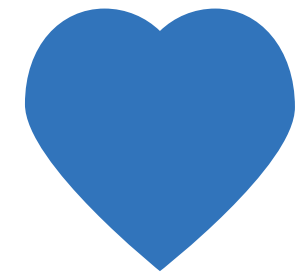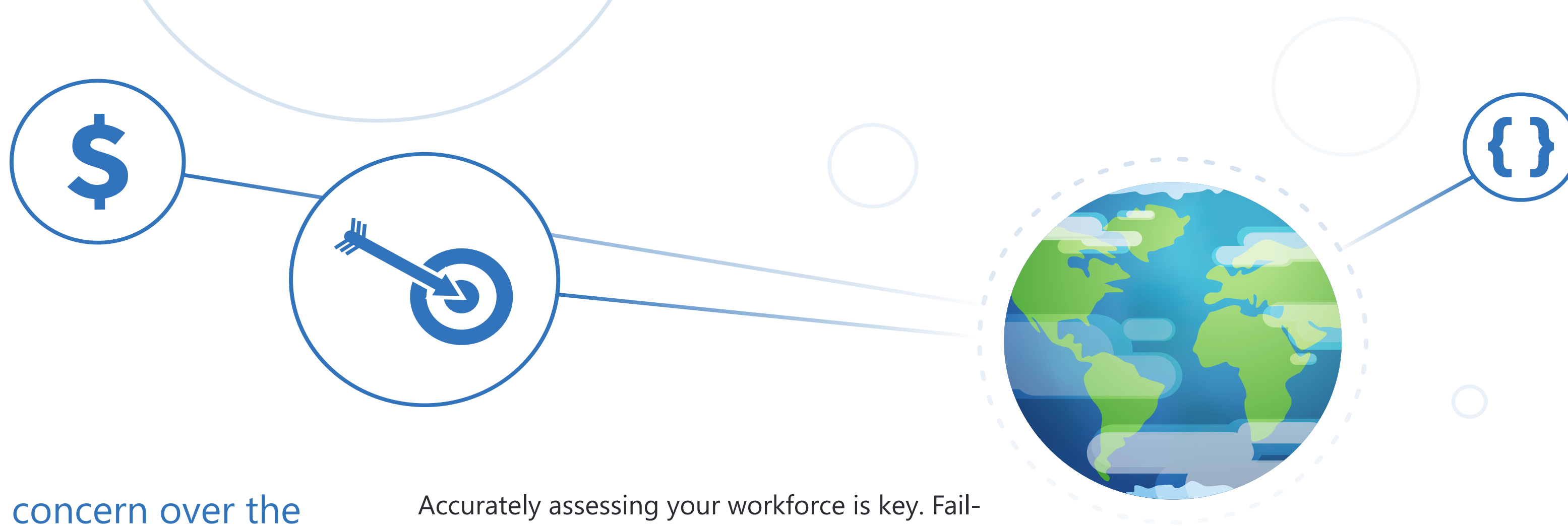
Social media — Whether or not your agency currently has social media, focusing on connecting with customers on social platforms is extremely important.

Growth mindset — Employees must view digital upskilling as a continual process. Those who will succeed in the digital age are those who have a growth mindset, are flexible and are eager to learn.

+ 1,576

Global concern over the availability of key skills has grown 16% in the last five years, with 79% of global CEOs reporting that the skills gap is a threat to their business, according to a PwC survey.

As the tech world continues to rapidly evolve, agencies need to adopt a continual-learning mindset, providing regular training to avoid falling behind. You'll need to make sure that the employees on your team are well-versed in digital strategy, and if they aren't, you need to develop a strategy for training them. You'll also want to consider hiring new employees who have the digital skill sets your agency requires to succeed, as upskilling may not be effective for every existing employee.

Accurately assessing your workforce is key. Failing to do so will only create problems for you in the future. You want to have employees who are excited about your future and have the ability to help you achieve your goals.

Find Available Capital
Unfortunately, navigating and responding to the industry's changes isn't free. One of the main reasons that agencies don't proactively adopt a digital transformation is because it's expensive and risky. According to data from Deloitte Insights, the insurance industry committed 3.62% of its overall revenue to technology budgets, which is just under half of a percentage point more than the average for all industries. While this may not seem like a substantial investment, 59% of CIOs reported an increase in their technology budget from the previous year.

Making a large investment into something that's core to your organization may involve taking out a loan or spending money that's

earmarked for other things. Additionally, implementing technology at your organization may not go smoothly. You might find that employees need training that you hadn't budgeted for or that the new bells and whistles aren't integrating with your legacy systems. In these situations, agencies may have to invest additional unexpected funds before seeing any return on investment. How agencies navigate the risks that stand in their way will determine their future.

According to the International Data Corporation, worldwide technology and services spending to enable digital transformation will reach $1.97 trillion by 2022.

Investing in the resources and technology that will help your agency keep pace with tech and retail giants is necessary for your long-term success. You need to evaluate whether your agency has access to sufficient capital to fund your digital expansion. While acquiring the necessary capital is essential to your agency's short-term strategy to survive in the changing market, it's equally important for your agency to thrive in the long term.

Establish a Change Culture

Undergoing a digital transformation at your agency doesn't happen overnight. It's a process with many moving parts, all of which will bring massive change to your agency and its employees. How much change has your agency engaged in previously? What changes have you previously navigated? Is digital transformation the first change you've undergone? If your agency hasn't had to drastically change its processes or strategies before, managing these changes and communicating them to your employees can be difficult.

Change challenges employees' beliefs, which results in employees seeing change as a threat. David Rock, a published author and thought leader in the human-performance field, explains this concept using what he calls the SCARF Model. The SCARF Model on change states that there are five key domains that influence an employee's ability and willingness to change. When confronted with change, employees will consider how it affects their status, certainty, autonomy, relatedness and fairness. If they perceive this change as a threat to these domains, they will fight the change.

Being upfront with the challenges your agency faces and your plan for overcoming those challenges will go a long way in helping your employees reassess their beliefs and change their way of thinking. This, in turn, establishes a culture that embraces change instead of fearing and fighting it. When employees are aware of what lies ahead, instead of resisting change, as is many people's natural inclination, they will be more motivated to help your agency achieve its goals, provided that you've helped them change their beliefs.

According to McKinsey, **46%** of executives in the financial industry believe that cultural or behavioral change is the **biggest risk** of transforming digitally.

Transparency can improve employees' trust of upper management, give employees insight into a company's operations and future, and improve cross-departmental collaboration. Cultural change, just like tech-inspired change, isn't something that happens suddenly. You need to work at implementing cultural change every day to assuage the chaos that accompanies massive change.

Making the Move Forward

Your agency is at a pivotal moment, when making changes can help secure its future. Today's agents are facing the same challenges. So, why is it that some are succeeding and others are fading? How can legacy agencies transform into the modern agencies that are enduring in these changing times?

They're opting for the pain of discipline instead of the pain of regret. They're dealing with the digital transformation's risks now and not deferring them for later. Remember, the pain of discipline is short-lived and the pain of regret lingers. It's no longer a question of if your agency needs to change, it's a question of *how soon* you will make changes.

In order to succeed in the Sales Revolution, you must decide whether you will take the risk now. And you must do it sooner rather than later.

In 2008, I was the chairman and CEO of a multinational risk advisor, insurance brokerage and reinsurance brokerage company. During my time there, we acquired a competitor—one of the world's largest insurance and risk management intermediaries.

By certain measures, this deal was successful. We reduced operating expenses by $200 million in the first year after the transaction and rationalized the multiple we paid for the operation. But, was that the definition of success?

Put the acquisition aside, based upon our goals. Was an acquisition the best path forward? Should we have invested more deeply in our business and passed on the deal? I think about these questions to this day. It's critical to be clear on your goals and the risks and challenges that come with those goals.

-Don Bailey

**Chapter 4
key takeaways:**

1

Agents must decide whether they want to face the pain of discipline by dealing with the realities and risk of digital transformation now, or face the pain of regret by pushing it off and risk falling behind.

2

An agency's future depends on how effectively they mitigate the risks of people, capital and culture.

3

Change won't happen overnight—it's an ongoing process that requires commitment from every single employee.

5

Unfreeze

In the world of sales, habits are absolute. They govern how you market your business, how you train your agents and, most importantly, how you engage with clients and prospects.

There's a great book called *"The Power of Habit: Why We Do What We Do in Life and Business"* where the author, Charles Duhigg, explains the habit loop.
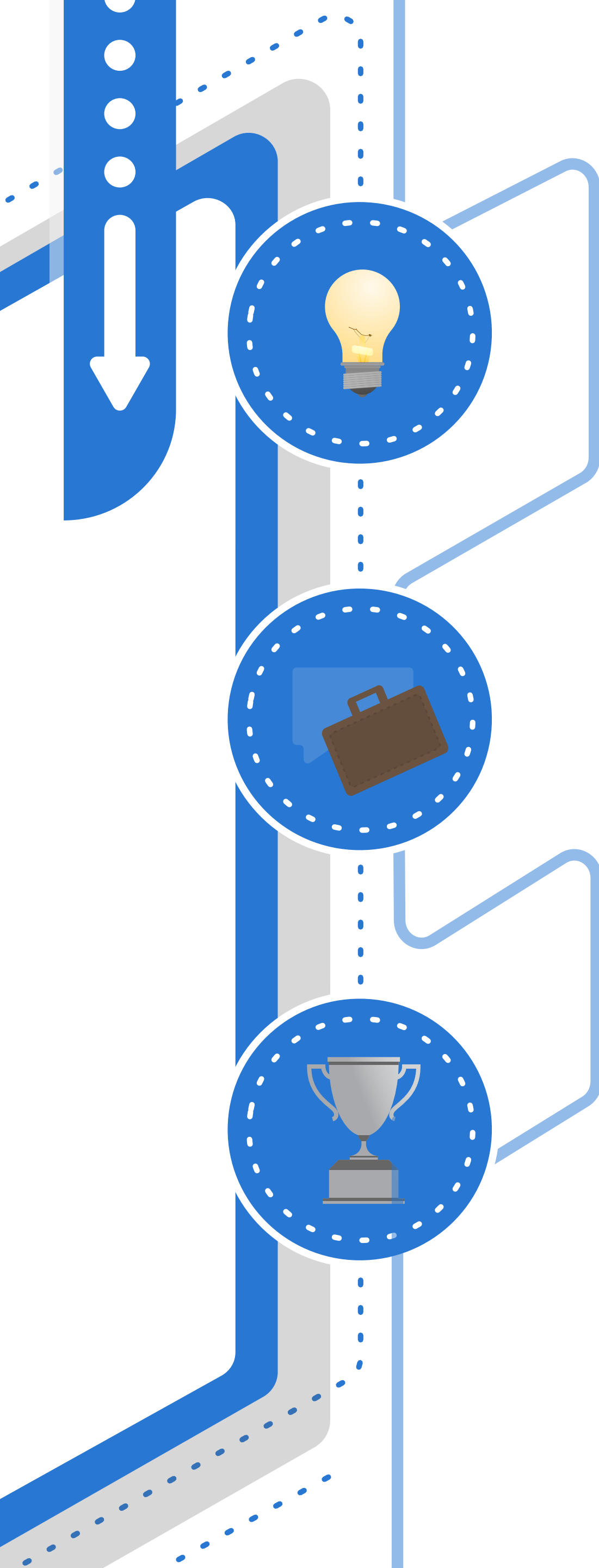
There's a cue
A new business opportunity arises.

There's a routine
You respond to that business opportunity using a familiar or comfortable process.

There's a reward
The reward is supposed to be winning a new client, but often it's not.

While this habit loop undoubtedly governs the sales process, it's an unconscious pattern. Businesses rarely, if ever, stop to ask themselves whether their sales routines are good ones. And, in the Sales Revolution, it's critical that you put your habits under the microscope. What will it take to differentiate with today's customers?

How to Enact Change

There are a variety of hurdles that stand in your way when it comes to making meaningful changes at your agency, but much of the difficulty comes from getting people to change their habits. Our habits are frozen within us. They derive from our beliefs, and we must unfreeze those beliefs to incite change.

Put simply, the behaviors and habits of an organization are dictated based upon the beliefs of its people. What you believe is how you behave. Unless you sit down with your people and understand what they believe, it's almost impossible to get them to reappraise those beliefs, unfreeze and move to a different set of beliefs. New beliefs create new behaviors.

Succeeding in the Sales Revolution is about getting out of your comfort zone—trading bad sales habits for high-impact ones.

And while you can read all you want about sales philosophies, content strategies, value propositions and channel marketing, it's meaningless if you aren't willing to act. You have to ask yourself if you're capable of more. Are you capable of being smarter, faster, better and quicker? Are you capable of doing and selling more? Are you willing to do what it takes?

And I hope the answer to all of these questions is yes. Yes, there is a gap between where you are today and where you want to be tomorrow.

Imagine Your Future

For me—to use a hockey analogy—I want to be where the puck is going. Not where the puck has been, or even where the puck is now.

You have to ask yourself some tough questions and be willing to pass the puck to people, processes and technology that are on the right side of the blue line. You have to position yourself among the companies and leaders that represent where the puck is going to better understand the future and, in turn, your own business.

You've seen where the insurance industry has been and where it's going. It's time for action. It's time to start planning for the future—because it's already here, and you are committed to leading the Sales Revolution.
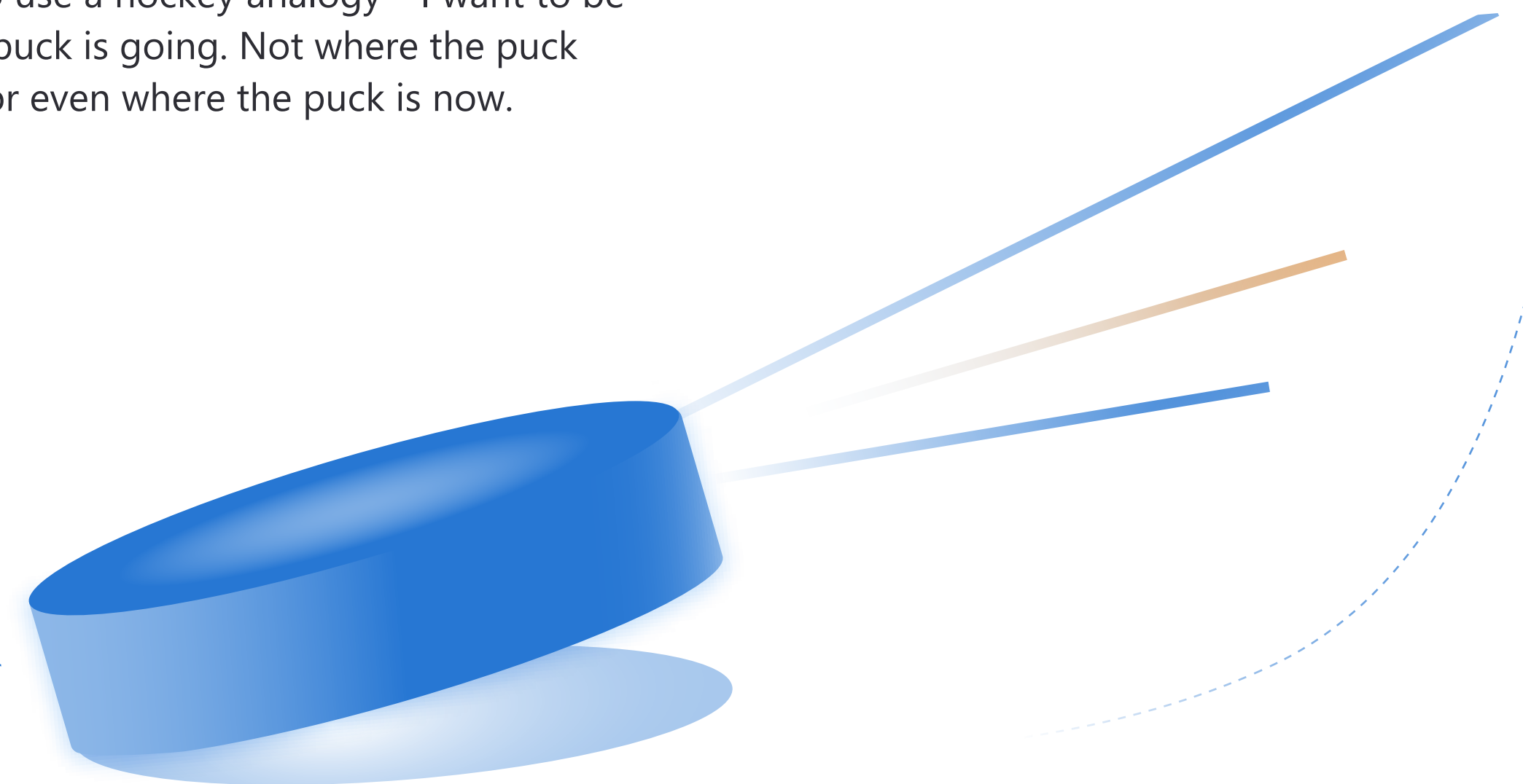
**Chapter 5
key takeaways:**

1

Succeeding in the Sales Revolution is about getting out of your comfort zone, trading bad sales habits for high-impact ones.

2

You must understand the science of change and commit to change as a skill and asset.

3

Your willingness to embrace technology and change will determine the future of your agency.

6

Map

We've talked a lot about the current state of the insurance industry and all the potential challenges and opportunities that await you in the Sales Revolution. And I hope these discussions have allowed you to examine your agency and its strategies through a more critical lens—because that's what you need to do to leverage the new knowledge and transform your agency for the better.

But that transformation won't be easy, and it's going to require a fundamental shift in the way you approach your clients and prospects.

It's going to involve crafting both:

1 A **strategic framework** that changes the way your team sells to and services its customers (e.g., moving from relationship selling to solution selling)

2 An **operational framework** that promotes your new sales and service approach by better defining all the ways your customers interact with your agency throughout the insurance buyer's life cycle (e.g., mapping out the buyer's journey and injecting a solution-selling approach at each step of the way)

Strategic Frameworks

Strategic frameworks lay the groundwork for a business objective or an organizational vision. They ensure a company's team—including its executives, marketing personnel, salespeople and individual contributors—are aligned and understand their unique role in achieving companywide goals.

Strategic frameworks are the "what."

Operational Frameworks

Operational frameworks are the specific actions, procedures and internal policies organizations need to implement to meet the goals laid out in their strategic framework.

Operational frameworks are the "how."

The Strategic Framework:
Relationship Selling to Solution Selling

As we've already discussed, we're at a point in our industry where customers and their demands are evolving faster than ever before.

Today's customers want transparency. They want an agent who is going to truly and fully understand their business and their unique risks and challenges. They want an easy, painless customer experience. Put simply, today's customers don't want to be sold pre-existing partnerships—they want to be sold solutions.

And this is where agencies can begin to differentiate themselves from the ever-mounting competition, as those that rely on old, relationship-based tactics will lag behind those that build a strategic framework around solution-based selling.

We all know what relationship selling is. It's going into a meeting with a box of donuts assuming a client will partner with you simply because you've done business with them in the past. It's inviting a client to a round of golf and not once talking about their business or its unique insurance needs. It's providing your clients with a blanket list of services you offer without fully illustrating how these services actually benefit them.

Relationship selling is putting connections above all other aspects of a sale, including the fundamental reasons why a prospect would choose your agency in the first place.

But don't get it twisted. People will say to me that—in this new world—relationships don't matter. That's not what I'm saying. We never want to dismiss the importance of human and personal connections with our customers. We simply need to redefine the concept of relationships to embrace this notion of value. What value do you provide to your clients that no one else can?

According to HubSpot, only about **3%** of buyers trust sales representatives. Agencies that take a relationship-selling approach will find reversing this statistic much **more difficult**. This is because, using relationship selling, agents come off more interested in closing a deal than **finding solutions** to their prospects' problems.

And you can't just tell prospects why your agency is a good fit for them. You have to show them. You have to make it about them—because your clients and prospects aren't really interested in your agency's history or a 42-slide deck on how state-of-the-art your services are. They're interested in what you can do to help them protect and grow their business and solve their day-to-day challenges. That's ultimately what solution selling is all about.

With solution selling, a salesperson presents answers to a prospect's specific problems or issues instead of promoting a product or relying on established relationships.

At the end of the day, it's not about what you sell; it's how you sell. With every interaction, your agents need to offer deep subject matter expertise and invaluable commercial insights about your clients' and prospects' businesses. Your team needs to be able to effectively communicate how your agency can—and will—positively impact the organizations and people you serve. It's all about educating your agents and encouraging them in ways that make them more effective salespeople. And again, this is what's going to make you stand out from the ever-increasing competition.

But how do you accomplish this? How do you transition away from relationship selling to take a more solution-based approach? The answer is simple—you have to understand your customers and how they interact with you. You have to understand and map out the buyer's journey.

The Operational Framework:
Mapping Out the Buyer's Journey

While your brand, value-to-price ratio and service delivery influence whether or not a customer will buy from you—the sales experience is paramount in this decision. In fact, according to Salesforce, 53% of customer loyalty is driven by the sales experience. And insurance customers want very specific things from your agents throughout this experience:

✓ **83%** of clients want an agent who provides prompt and effective service, as well as some-one who answers questions in a timely manner.

✓ **80%** want a trusted advisor rather than an insurance salesperson.

✓ **78%** want an agent who offers resources to help them stay in compliance with laws and regulations.

The truth is that your agents have a significant impact on your brand and customer retention.

So, to gain customer trust and loyalty, you have to think critically about your sales approach and why you have to move from relationship selling to solution selling.

You want your clients to believe you are indispensable. They need to trust you and see you as a valuable partner in their business, both when you first engage with a prospect and then throughout the agent-client relationship. But this process can be complex, and there's a lot your agency has to manage.

To sell more effectively, and to engrain solution-based selling into your sales culture, you must understand how your agency's prospects navigate the insurance buying process. You have to map out the buyer's journey and create a battle plan for how you will approach prospects at each step and add value to their business. Only then can you adjust your approach to successfully meet the needs of today's insurance buyer and, in turn, promote customer loyalty.

While industry experts differ slightly on the individual aspects of the buyer's journey, the entire process can effectively be summarized into five distinct steps—lead, evaluate, close, manage and renew. Let's examine each of these steps in detail and create an action plan for how your agency will adopt a solution-selling mindset.

① Lead

During this step of the buyer's journey, your prospects have a specific problem that affects their insurance needs. To solve this problem, they think through a number of questions critically. What types of benefits packages are best for my employees? Would my organization be prepared in the event of a loss? Are my personal belongings covered following a fire or other disaster?

While your prospects are aware of their pain points, they haven't yet determined what agency they will partner with for all of their insurance needs. As such, research plays a pivotal role in this step of the buyer's journey.

The Solution-selling Approach

During the "Lead" stage, prospects are shaping their buying decisions through market research. To ensure you intercept them during this pivotal stage, you need to generate as much awareness about your agency as possible.

According to Salesforce, **72%** of buyers turn to **Google** when researching businesses, using general search terms to **explore** their options. At this point of the process, prospects want **educational materials, customer reviews and testimonials** to better inform their purchasing decision.

One way to accomplish this is through content. Resources like blog and social media posts, check-lists and other educational content will go a long way toward educating prospects on what you do and how you can help meet their needs. Just remember, an effective marketing strategy should focus on a prospect's needs, not your particular brand or line of products.

But how can you get this content to prospective clients? One of the best ways is through digital marketing. As traditional marketing methods like direct mail, handing out business cards at local events, and cold calling continue to fall out of favor, digital marketing (e.g., your website, email, blog, SEM/SEO, social media and online advertising) will become all the more important.

Digital marketing allows you to reach customers at the right time in their buyer's journey.

With digital marketing, prospects don't need to be in the office to physically receive a direct mail flier or take your phone call; instead, you can connect with them anywhere on any device.

To be successful, though, digital marketing needs to be targeted. Meaning, you need to send personalized communication to your clients and prospects instead of generic messages. For instance, by using digital prospecting and lead generation tools, you can leverage data to find the most qualified leads and better understand their insurance profiles so you can speak more directly to their unique pain points. This allows you to deliver highly customized and curated content at the exact right moment and track results in real time—enabling greater business insights.

While digital marketing is essential for success in the Sales Revolution, it's important to remember that marketing strategy changes take time. While you may not have the resources right now to bring in a full-time digital marketing specialist, consider offering ongoing education or training to whoever is in charge of marketing at your agency. Instilling a digital-first mindset in your organization's culture will be key to long-term growth.

Content to Deliver During the "Lead" Stage

• Videos • Checklists • Blog Posts • Social Media • Tip Sheets

② Evaluate

After your prospects have identified their pain points and completed their research, they are ready to narrow down their options. During the "Evaluate" step of the buyer's journey, potential customers will continue to research their options and perform in-depth comparisons of each vendor on the table. Prospects have hardened their buying criteria and are closer to making a decision.

Approximately 70% of buyers return to Google at least two to three times when researching vendors, according to Pardot's State of Demand Generation report. During their research, prospects will take a deep look at each company they are considering, looking specifically at services and solutions for insight into how a particular business can help them address their pain points.

The Solution-selling Approach

At the "Evaluate" step, prospects are likely to reach out to your agents to gain an understanding of your specific service offerings. During these interactions, it's important to provide as much personalized information as possible. Your prospects should leave these conversations with a deep understanding of how your solutions can help them address their specific concerns in ways that no one else can.

During this stage, prospects will likely be hesitant to meet in-person, as they are still evaluating multiple vendors. As a result, most of these conversations will likely take place over the phone or through virtual meeting platforms. When evaluating these solutions, it's important to consider just how they will be used at your agency. Are you looking to facilitate both internal and external meetings? Will you be conducting lots of virtual training or hosting larger, webinar-type presentations that will require a higher attendee capacity? In addition, you need to consider what cyber security protocols these platforms have in place and how they will protect employees' and clients' personal information.

Equipping your team with the proper technology and virtual sales best practices will be essential in helping move prospective clients to the next stage in the buyer's journey.

For instance, if a prospect is a technology company, you need to leverage content and research that resonates with this business sector. You could discuss cyber incident response plans or provide benchmarking and data relevant to their pain points. Whatever your approach, focus on providing unique commercial insights specific to your prospect's industry and business.

It can't be overstated—discovery is critical during the "Evaluate" stage. Discovery is all about researching a customer and identifying their biggest challenges. During this step, you need to find out everything possible about a prospect and their pain points.

For instance, let's say you have a client that operates in the tech industry, and cyber insurance is incredibly important to their business. Prior to meeting with them, you need to do the research so you can be the cyber expert in the room. Ask yourself questions like what is ransomware? What's a cyber incident response plan?

Virtual Selling Best Practices
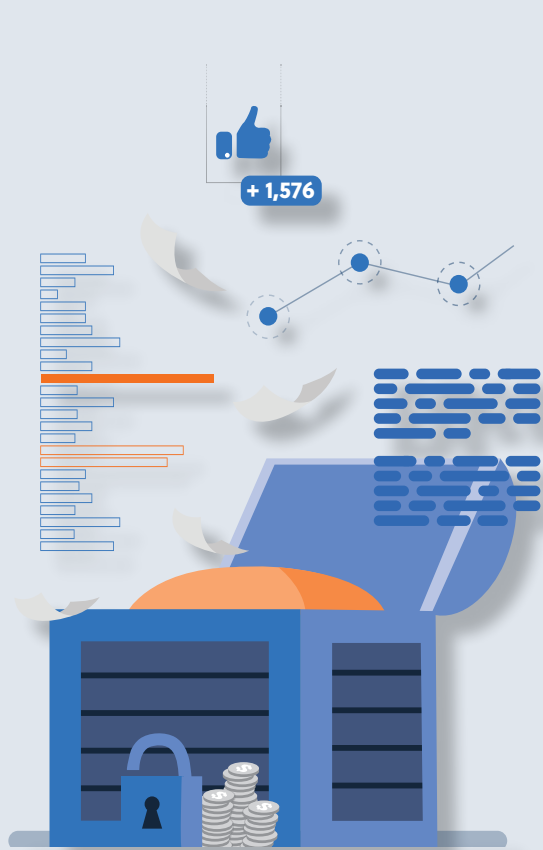
Make data your secret weapon

Look for ways to fill your pipeline beyond traditional networking events. Leverage digital prospecting tools to find the best leads and reach key decision-makers right off the bat.

Think of video conferences as TV productions

Create company guidelines that standardize video elements such as meeting backgrounds, professional attire, camera heights and recommended equipment.

Design meetings to enhance the conversation

Create a detailed meeting agenda to share with attendees at least 48 hours in advance, and build in regular checkpoints for group discussion to keep prospects engaged. In general, one individual should not talk longer than five minutes.

Don't forget to follow up

After the meeting, send an email within 24 hours that summarizes the key takeaways, unique insights discussed and next steps.

Covering these sorts of risks in detail is essential, but you also need to tie it back to their business. Why are these threats important to this particular prospect? What threats are most common based on their size and location? Are there any data privacy laws to consider? What gaps might exist in their current coverage when it comes to cyber liability?

You can't simply regurgitate information—you have to provide unique commercial insights that prospects can't get anywhere else. And this is something that can be hard to do on your own. Don't be afraid to bring in other in-house subject matter experts (SMEs) to the conversation. In-house SMEs can provide a deeper understanding of a prospect's challenges and help you connect with them on a whole new level.

If you don't have anyone internal to help in this area, consider creating or working with third parties to deliver more in-depth, technical pieces of content (like toolkits or guides). Providing detailed guidance that goes beyond what prospects can get from a quick Google search can showcase your expertise and build trust in your agency. Taking this extra step will highlight your dedication to a prospect's business and offer a glimpse into the level of service they can expect when they partner with you.

Content to Deliver during the "Evaluate" Stage
• **Whitepapers** • **Guides** • **Webinars** • **Case Studies** • **FAQs**

❸ Close

With an understanding of what they need and what your agency can offer, your prospects are ready to come to a decision and choose you as their trusted advisor. At this point, your soon-to-be clients are interested in the most detailed aspects of your partnership (e.g., renewal timelines and customer support features) as they navigate the negotiation and procurement process.

The Solution-selling Approach

Here, you can leverage branded content to close the sale and help your prospects get over any final hurdles. Consider providing sales collateral at this stage, including coverage comparison sheets, case studies and customer testimonials, to help prospects see real-world applications of your solutions in action.

During this step, it's critical to make sure your meeting decks and presentations are as tailored and customized as possible. Today's customers crave personalized content, and presenting a blanket, all-encompassing deck during this stage simply won't do.

After all, this is your last chance to win prospects over, so it's vital that you present solutions that address their unique pain points in a clear and concise manner. Remember, no two clients are the same, and your presentations must reflect this.

Throughout your slide decks, make sure to tie everything back to the value you can provide, not just the service or coverage itself, and how you can protect a prospect's bottom line and make their life easier. As you close your soon-to-be customers, remember the commercial insights

you've delivered throughout the sales process, and continuously remind your prospects of all the expertise you can offer.

There is no silver bullet when it comes to closing prospects, but the right preparation and approach can improve your odds for success.

4 Manage

This step of the buyer's journey refers to all of the different kinds of account management (e.g., answering policy questions, providing commercial insights and comparing plans) you have to complete throughout the entire customer life cycle. We all know, it's not enough just to win a new client, you have to keep them happy to retain them. The "Manage" stage is about providing an excellent customer experience and promoting loyalty so, come renewal time, there's no question about your value.

You've probably heard this statistic before, but it bears repeating. It's up to seven times more expensive to acquire a new customer than it is to keep a current one. The importance of customer loyalty is nothing new, and insurance agencies know this better than most organizations.

Come renewal time, loyalty is everything. It can mean the difference between recurring revenue or lost business. It's a never-ending battle, and you have to continually prove your worth with every interaction and every renewal. It's what's going to keep your clients coming back. Meetings, consultations, presentations and similar collateral can be invaluable when it comes to reminding clients why they chose you as their agent in the first place.

The Solution-selling Approach

Solution-selling is all about continued education and engagement. Your prospects are going to have questions about their policies and loss control strategies, and you need to be there to ad-

dress their concerns. Today's customers expect proactive and consistent communication. Research shows that 77% of insurance buyers want to hear from their broker monthly, and that 40% of employers would consider leaving their broker due to a lack of consistent communication.

Furthermore, as renewal time approaches, 52% of respondents would like to be contacted by their broker at least three months ahead of time, with another 39% looking for broker communication six months in advance.

By providing regular communication full of unique insights (most typically done through marketing automation with e-newsletters and educational campaigns), you can showcase your value and help clients meet any new challenges head-on.

In addition to communication, it's important to evaluate what other manual processes or workflows you can streamline at your agency, whether that be compliance and risk management, plan reporting, or training and education. By looking for ways to enhance your customer experience through virtual servicing, you can help clients self-serve more of their insurance needs while saving your team time. Virtual servicing is especially critical during periods of disruption (like the COVID-19 pandemic or catastrophic weather events), when market forces limit or upend traditional processes.

I'll discuss client-facing solutions more in the upcoming chapters, but thought it was important to mention now so you can start thinking about what current steps in your "Manage" stage could be optimized moving forward.

5 Renew

Just because a prospect has chosen to buy from you doesn't mean your work is done. You still have to ensure that, going forward, your new client continues to utilize your agency for all of their insurance needs. That's what the renew step is all about.

The Solution-selling Approach

If your agents manage customer relationships effectively, the "Renewal" stage of the buyer's journey will be exponentially easier. Throughout the entire process, your agents need to be available to answer questions and be knowledgeable regarding the customer's business.

Renewals are the livelihood of an insurance agency. And, while they won't always come easy, you're less likely to lose business if you establish yourself as a trusted advisor and sell real-world solutions at every stage of the buyer's journey.

After all, it's one thing to say you're worth your commission, it's another to offer evidence of the specific services and resources you've delivered. One way to do this is by offering a customized stewardship report that summarizes all the services and support you've provided throughout the year. Show how each instance helped improve your client's business and how it impacted their bottom line to really drive home your value.

But don't forget to look forward. During renewal conversations, go beyond just reviewing the previous year with your clients, and outline strategic guidance for their business moving forward. Identify areas of opportunity and come to meetings prepared with potential recommendations by leveraging the power of data and analytics.

For instance, for P&C clients, run reports on their mod to identify key areas for loss that year. Use that information to propose solutions for the next year and beyond, and illustrate how you can work with them to drive down costs.

For benefits clients, analyze claims data to pinpoint cost drivers when it comes to mitigating health care and prescription drug spending. By taking the time to dive into the data, you can show clients you are invested in their long-term success and that you are a true strategic partner.

Putting It All Together

Today's customers don't need their hands held—they need someone who is going to offer a unique perspective and speak directly to what they value the most. And it all starts with a solution-selling approach to the buyer's journey.

The sales experience has an unquestionable influence on both the buyer's journey and customer loyalty. It's all intrinsically connected. A positive sales experience allows your prospects to stride through each step of the buyer's journey with confidence. It ensures that, through interaction with your agents and decisions they make, your prospects appreciate your worth as an agency.

Furthermore, the sales experience has the strongest influence on customer loyalty. When your prospects enjoy a smooth journey from their introduction to your agency to the point of sale, they are more likely to partner with you again come renewal time. Solution selling promotes these types of positive interactions.

Content to Deliver During the Renew Stage

• **Presentations and proposals** • **Benchmarking and analytics**
• **Estimates** • **Coupons and discounts**

**Chapter 6
key takeaways:**

1

Today's agents must focus on providing unique commercial insights instead of relying on relationships alone to win new business.

2

Deepening your understanding of the buyer's journey is key to reaching your prospects and solving their unique business challenges.

3

Agencies need to map out and formalize sales and marketing activities for each step of the buyer's journey to achieve maximum results.

7

Enable

Succeeding in the Sales Revolution is a multistep process—transitioning from relationship-selling to solution-selling, and mapping the buyer's journey is only the beginning. You've already explored the strategic and operational frameworks necessary to get started, but now it's time to focus on your sales process.

Transitioning from relationship selling to solution selling requires a fundamental change in your sales training. And, as your agents become trusted advisors who provide invaluable commercial insights throughout the buyer's journey, you need to build a sales training approach that aligns with the need for continuous education. In short, you need to enable your team to become the specialists your customers want.

To do so, you'll need to create:

1 A **strategic framework** that changes the way your team approaches sales training (e.g., moving from waterfall sales training to agile sales training) and salesperson knowledge (e.g., moving from generalist to specialist knowledge)

2 An **operational framework** that supports your new strategic framework of continuous sales training and specialization (e.g., sales enablement) and promotes your unique commercial insights (e.g., coordinated sales and marketing plays)

I know what you're thinking—that sounds like a lot of change. But, you don't need to implement these changes overnight or all at once. As you'll see, establishing these strategic and operational frameworks can be done in a way that makes sense for your organization. Whether you decide to overhaul your process at once or make small changes, the most important step is to commit and start somewhere.

The Strategic Framework:
Waterfall Sales Training to Agile Sales Training

As we've previously discussed, your sales team must be able to sell effectively at each stage of the buyer's journey if you want any chance of

winning new business. But you simply can't accomplish this if your agents aren't able to adapt to the latest market shifts and trends. That's why a key ingredient to success in the Sales Revolution involves switching from a waterfall sales training process to an agile one.

Waterfall Sales Training

Traditional, linear approach to sales training where each stage of the process is completed before the next can begin.

Example: *An organization holds one sales training session at the beginning of the year. No follow-up training is held.*

Agile Sales Training

Iterative, team-based approach to sales that involves increased communication and collaboration, with multiple stages of the process being completed simultaneously.
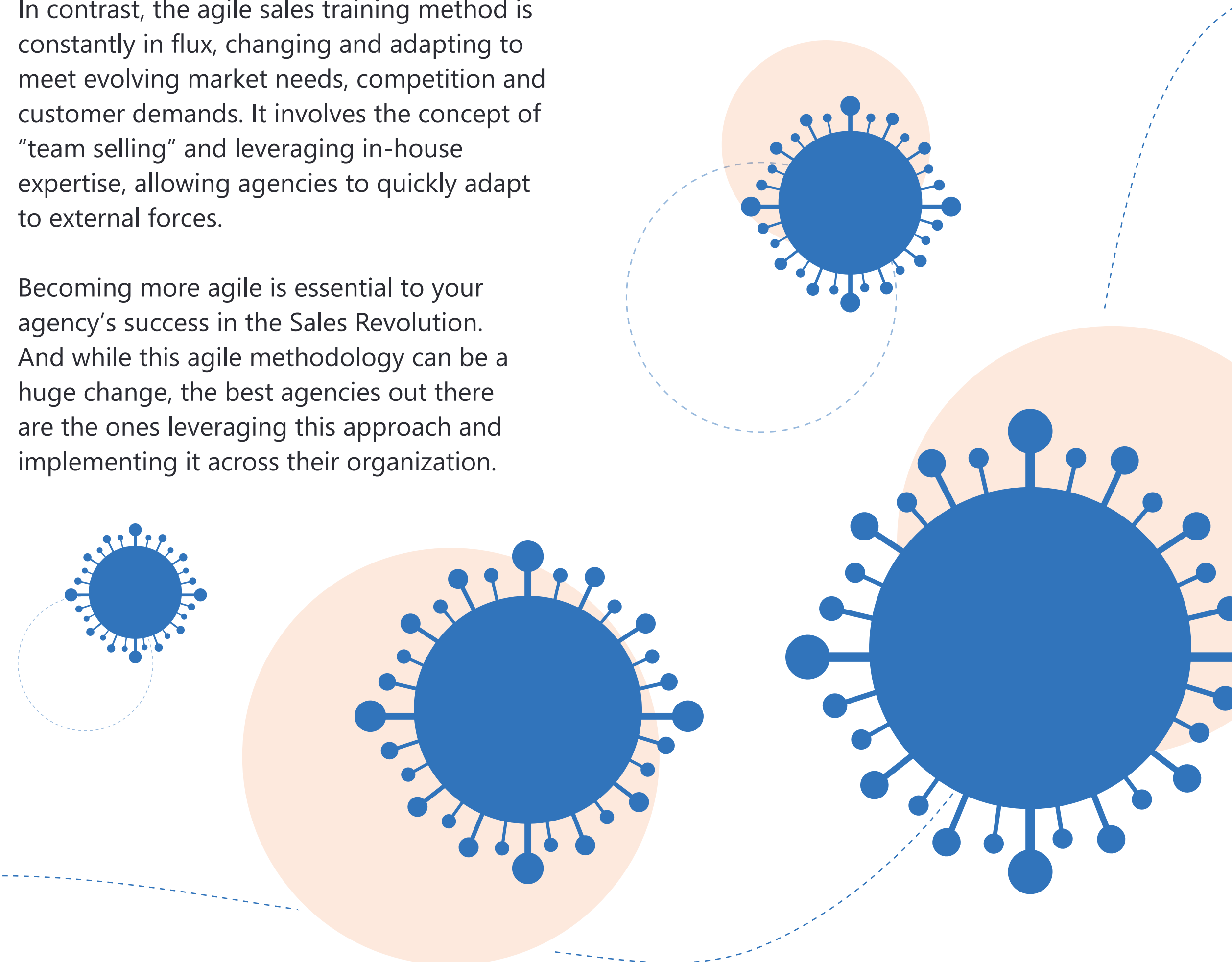
Example: *An organization continually educates their sales team through regular, cross-functional meetings and ongoing communications. Sales personnel have access to the same marketing materials—updated frequently to account for fundamental shifts in strategy.*

As you can guess, the waterfall sales training method is static, meaning it doesn't change consistently over time to meet market needs, changing competition or customer demands. It doesn't allow for collaboration and coordination between teams and in-house experts to promote specialization and subject matter expertise.

In contrast, the agile sales training method is constantly in flux, changing and adapting to meet evolving market needs, competition and customer demands. It involves the concept of "team selling" and leveraging in-house expertise, allowing agencies to quickly adapt to external forces.

Becoming more agile is essential to your agency's success in the Sales Revolution. And while this agile methodology can be a huge change, the best agencies out there are the ones leveraging this approach and implementing it across their organization.

The COVID-19 pandemic has exacerbated the need for agile sales training. When any huge market disruption occurs, your team needs to be able to quickly pivot and know how to sell and service in a new environment. Using the same old approach and messaging will fall flat with customers in a time of crisis or uncertainty.

The Operational Framework:
Introducing Sales Enablement

The change from waterfall to agile sales training creates the need for a sales enablement function at your organization. I'm sure you've heard this term tossed around before, as it's popular in many other industries. But understanding what sales enablement means for your agency and how to integrate it into your agency's workflow is crucial when it comes to winning in the Sales Revolution.

You might be asking yourself, "What does sales enablement really mean?"

At its core, sales enablement is the **continuous, strategic process** that organizations use to arm their sales team with the **tools, content and information** they need to sell more effectively.

Even though sales enablement features "sales" in its name, it's not a concept that is strictly for the sales professionals. It's a framework that needs to be interwoven throughout your agency—it applies to all roles, as well as the entirety of the buyer's journey.

However, implementing sales enablement at your agency will depend on your structure and available resources. For some, sales enablement implementation may involve bringing on a full-time employee whose sole focus is sales enablement. For others, this may involve adding these responsibilities to a marketing leader's or another employee's daily workflow.

Chances are, your agency already has someone in charge of sales training, but you need to empower them by providing the necessary resources to help them introduce sales enablement to your agency. Sales enablement doesn't have to be a huge cost or a time commitment if your agency can't devote extensive resources to its implementation, but it is something that your agency must focus on if it wants to succeed in the Sales Revolution.

The Strategic Framework:
Specialist Sellers

Simply put, making the switch to an agile sales training process and implementing sales enablement at your agency allows your sales professionals to become specialist sellers instead of generalist sellers.

For example, a generalist seller involves being a "jack of all trades," and being able to sell and service your agency's entire portfolio. While this allows you to talk to any customer, the downside is that—because your knowledge is spread across so many different areas—it's difficult to build the deep expertise customers crave.

While specialist sellers have a general understanding of your agency's entire portfolio, they primarily focus on a handful of products or services. They develop extensive knowledge of their primary specializations, which makes it possible for them to speak to the challenges, benefits, trends and other associated commercial insights that customers want.

Because they're not focused on the breadth of available products and services, but rather the depth of their specialized areas, specialist sellers are able to dig deep into industries and customers to uncover niche pain points. That way, when they go to meet prospects and service clients, they already know how to get through to them and deliver a sales and servicing experience that's unique to each customer.

To successfully move from generalist to specialist selling, though, you'll need to re-examine the fundamental way you approach sales and marketing at your organization and look toward the idea of coordinated sales and marketing plays.

The Operational Framework:
Sales and Marketing Plays

After your agency enables its sales team, it's time to put it all together with coordinated sales and marketing plays. What this involves is a joint attack from the sales and marketing function to create a sales play.

While this definition may sound simple, sales plays have three complex components that determine their success:

Repeatable offering—A sales play should be repeatable, and every member of the team should be trained on how and when to execute the play.

Specific, targeted steps—Your team's sales plays should be laser-focused and tied to specific parts of the buyer's journey. It's all about knowing where your buyer is in their journey, and responding with specific, targeted sales plays.

Set time—Sales plays should be confined to a predetermined time period. This is not a grab-bag situation where any play will work in any situation—the plays should be tailored to the buyer's progress on their journey and any timely external market influences. For benefits agents, that means executing sales plays in the summer to prepare clients for open enrollment in the fall. For commercial agents, while less tied to specific points on the calendar, that means executing sales plays related to upcoming regulatory changes or seasonal changes that impact clients' businesses.

The anatomy of a sales play is pretty clear, but choosing ones that fit your agency's objectives is where things can get complicated. When it comes to making plays, there are a few things that you should keep in mind:

A **sales play** is a repeatable offering of specific, targeted steps that help your sales team successfully sell a certain product or service during a set time .
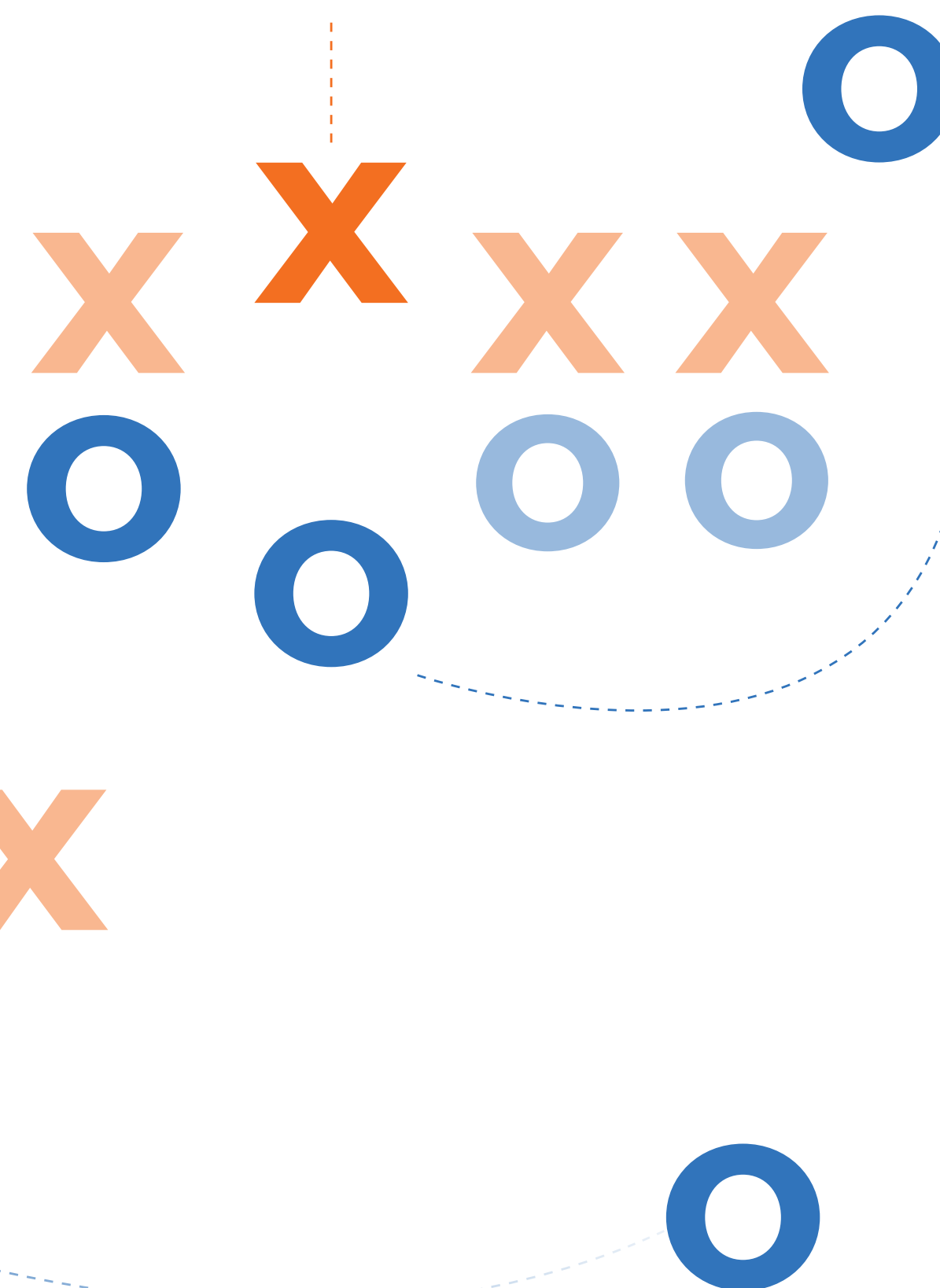
"During the time Don and I were working together, I was leading a sales enablement company and Don was leading sales at a global insurance brokerage and risk management firm.

The company Don was at was huge, so they had a lot to keep track of. They showed me a map of all the products and services they sold to their customers—and it was a lot. From analyzing their top-performing products and verticals, they identified the top 24 sales plays they were going to roll out and created sales play-specific collateral to enable their sellers on how to run these plays.

That way, when a seller went into a meeting, they were already prepared with the necessary background and value proposition to explain why their company's offering was what the prospect needed. After the collateral was created and the plays were rolled out, Don's company went from seeing global sales growth in the 2-4% range to consistent 10%+ sales growth."

- Jason Liu
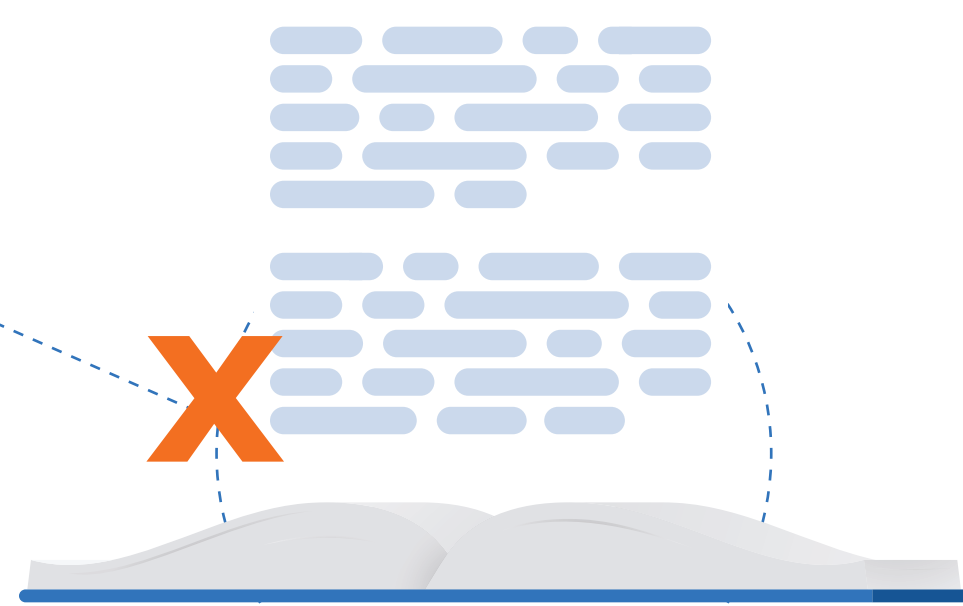
Uncover your opportunities for specialization. When you're evaluating what your sales plays should be, review what areas you excel in, or what niche services you can offer. You want to pick plays that you can execute on that will differentiate your agency from the competition.

Map it out. For each of your sales plays and major product offerings, identify all the information below:
- *Target market*
- *Your agency's competitive advantages*
- *Core products*
- *Specialty add-on coverages*
- *Cross-sell opportunities*
- *Value-add services*

Emphasize education and continuing development. One of the core elements of effective agile sales training and sales enablement is continuous education. Your sales team must be equipped to learn about new market conditions and digital influences as they come up. If they are to operate as truly knowledgeable advisors, they should never stop learning about new insurance products and always seek out continuing education on employee benefits or their niche sector. Bake an emphasis on continuing education into the very fabric of your sales plays.

Start with a plan to measure ROI. Choosing sales plays and revamping or restructuring your sales team will take an investment. How do you plan to measure your return on that investment? Don't make the mistake most agencies do—have a plan for tracking whether your initiative is successful. Do you want to see an increase in inbound leads? Shorter sales cycles? Improved retention? Pick something specific to tackle and make sure you have a plan for tracking its success.

Evaluate and improve your sales plays whenever possible. Adapting to changing market needs, competition and customer demands is essential for succeeding in the Sales Revolution and also for having effective sales plays. To ensure that your plays are as zeroed-in and focused as possible, make time to analyze their efficacy and review results after you've rolled them out.

The power of sales plays cannot be underestimated, and the big agencies are already leveraging the power of sales and marketing plays, content and technology. That's not to say that only the large agencies can succeed though, because that's simply not true. Any agency—no matter what size—can implement these changes.

Remember, these changes don't have to be made all at once. Agencies can commit big,

but start small and implement these changes systemically—but the crucial point is that they have to start somewhere. It's up to small and midsized firms to get on track if they want to survive and thrive in the Sales Revolution.

Putting It All Together

So, what does this look like in practice? Let's say you offer 20 different types of coverage, but you know your agency excels in selling and servicing five products or verticals. Instead of going to market highlighting all 20 products at once and overwhelming customers with that message, you decide to develop targeted sales and marketing plays around those five verticals. That means you're going to assess what content you already have to support the buyer's journey in these areas and determine what assets still need to be created or sourced (e.g., articles, blogs and case studies).

In addition, you need to enable your sales team by providing them with the knowledge, skills and resources they need to effectively carry out these plays. They need to know any new messaging or verbiage and know where to find the content they need to educate buyers and guide them throughout their journey.

By making this a joint targeted attack occurring at the organization wide level, you can more effectively reach your customers and really zone in on what's going to resonate best with them so you can win more business and drive growth.

While this may seem like a lot, you don't need to roll out every single component and play all at once. Start small and see what works and doesn't work at your agency, and find the best possible way to implement the sales-focused strategic and operational frameworks. In most cases, the best way to simplify the process for your agency and team is by investing in the right technology.

Think back to the beginning chapters of this book, where we discussed the role that the digital revolution plays in both the changing face of the insurance market and your competition. We laid out how your competitors are using technology to break down barriers and how technology is changing the way your customers shop for, interact with and buy your services. It's time for you to use technology to respond. It's time to use the digital revolution for your agency's success.
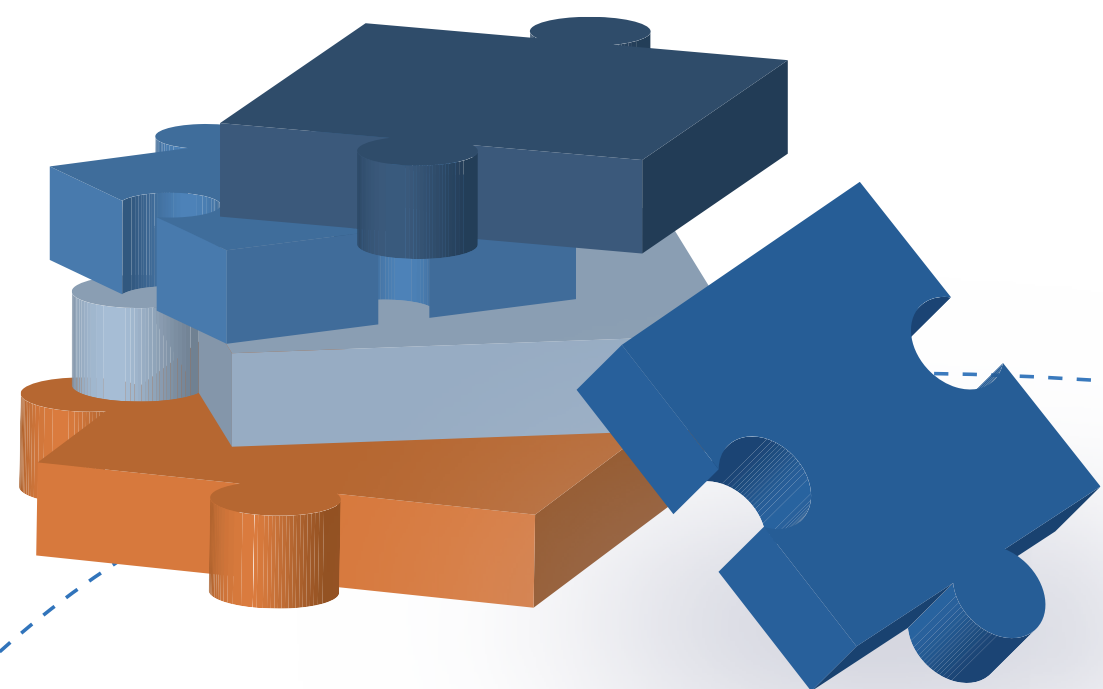
**Chapter 7
key takeaways:**

1

Agile sales training is essential to helping your sellers stay up to date on the latest market trends.

2

Sales enablement empowers agencies to deliver the specialized selling and unique commercial insights today's customers demand.

3

Sales enablement isn't just for the sales team—it's a cultural shift that must happen organization-wide if your agency wants to succeed.

4

Sales and marketing plays allow you to better reach your customers and win new business.

8

Automate

Success in the Sales Revolution requires one more major component—the right technology. The right technology is essential for increasing efficiency and automating workflow, driving growth and delivering the tech-inspired experience that today's customers and future customers will demand.

But how do you know which technology you truly need? How do you take all the concepts we've discussed—including content, data, self-service, sales enablement, solution selling and more—and put it all together in a meaningful and deliverable way? The answer is automation.

insurance leaders and industry veterans talk about their challenges, struggles and successes. What I've found is the highest-performing agencies are the ones that are overcoming their fears and embracing the idea of technology and automation.

Through these conversations, it became clear that there are six core business solutions that every agency needs if they want to succeed in the new digital world.

Here are those core six solutions:

❶ Account Management System (AMS):
An AMS is your customer tracking mechanism and system of record. This is where your account managers and office staff traditionally spend most of their time and where you keep track of all your activities, including invoicing and billing. A well-oiled AMS is critical for success in the Sales Revolution, since accurate *and* complete client records are essential for delivering faster and more effective service.

❷ Customer Relationship Management (CRM): A CRM, on the other hand, is traditionally where your sellers and producers spend most of their time. A CRM allows you to manage all your top-of-the-funnel activities and accounts you're trying to win and renew at any given time. A good CRM elevates your sales process and helps sellers and producers more easily manage their opportunities and track where customers are in their buyer's journey. In recent years, though, we have seen CRM and

AMS functionalities begin to merge with CRMs increasingly being used by account managers as a front-end tool, while still using an AMS to complete more complicated reconciliation or commission reconciliation tasks. Understanding the overlap between these solutions is essential, as integration capabilities between the two will continue to be increasingly important in the digital world.

❸ Configure, Price, Quote (CPQ):
The CPQ process is still incredibly manual and inefficient at many organizations. By automating CPQ, you can eliminate tedious, error-prone spreadsheeting, and streamline sales and renewal workflows. CPQ automation allows you to quickly deliver accurate quotes, put together custom presentations and proposals, and provide data-driven consulting in just a fraction of the time. This automation allows you to provide superior value to your prospects and clients, while putting more time back in your day.

❹ Marketing Automation:
To thrive in the Sales Revolution, you need to look beyond individual, one-off emails. There's too much room for error, and frankly, it takes too much time for producers and account managers to manually send these communications. Instead, look for a marketing automation system that allows you to quickly push out personalized content to clients and prospects so you can foster engagement without spending hours composing emails.

❺ Client Software:
This ties into the virtual servicing concept we talked about earlier. Client software is a broad category and refers to all the different digital client software solutions you provide your book, either as a value-add or part of your fee-for-service model. This can be any type of tool or software you provide clients—with their own usernames and passwords—that they can use to complete tasks.

Some popular solutions include client portals, online enrollment systems, interactive HR applications (e.g., employee handbook creators, salary benchmarking tools and compliance calendars) and online learning management systems with workplace health and safety courses. While all these solutions serve very different purposes, what they all have in common is they make your clients' lives easier and satisfy the need for the self-service options we previously discussed.

❻ Content and Content Management:
I cannot overstate the importance of content. Content is the backbone of your agency. It impacts everything you do—from managing your book of business to new revenue prospecting to your website and social media. Good content allows you to move past generalist selling so you can deliver the unique commercial insights that today's customers demand.

Breaking Through the Noise
Knowing exactly what technology your agency needs (and doesn't need) can seem overwhelming at first glance. The idea of changing all your processes and educating your staff can seem like an impossible task, and, as a result, many agencies remain stuck and continue to shy away from implementing new technology despite all of its potential benefits. In addition, others may try to fix an issue using a band-aid approach by weaving together tech solutions that don't integrate with one another, causing further inefficiency and staff frustration.

Both of these situations can be detrimental.

Throughout my career, I've spent a ton of time on the road talking with insurance agencies of every size and type. I've heard countless

And with all six of these core business solutions, it's important to remember the role of virtual communication and collaboration. As your agency becomes more digital, you'll have to re-examine how you communicate and collaborate—both internally and with customers.

For instance, consider what technology you can implement to foster more successful virtual meetings with clients and what instant messaging platforms you can use internally to help staff quickly communicate with their peers, especially if they are working remotely. Evaluating task and project management software is also important in helping ensure all employees stay on the same page and that workflow can be easily tracked using a shared, digital dashboard.

By finding new and better ways to communicate, collaborate and work together, you can improve the customer experience and your overall business operations.

Mapping Technology to the Buyer's Journey
Just like how we talked about mapping your sales process to the buyer's journey, the same must be done when it comes to technology. Mapping your technology to the buyer's journey can help you better understand how to automate and streamline each stage of the customer life cycle.

Lead Stage
For the "Lead" stage, there are two core solutions that every business needs—CRM and marketing automation. These are the solutions that help your agency prospect smarter, not harder. These solutions can help with things like email marketing, lead sourcing and management, prospect discovery and more, and they help ensure you are delivering the most targeted messages possible to the best group of leads and key decision-makers. By taking advantage of the data available in digital prospecting tools (e.g., identifying past

violations or compliance issues), you can make your email communications more personalized and include more granular plan data and unique commercial insights to help you break through the noise. Remember, today's customers want content that makes them feel unique and speaks to the main challenges they face every day.

Diagram

- Lead
- Evaluate
- Close
- Manage
- Renew
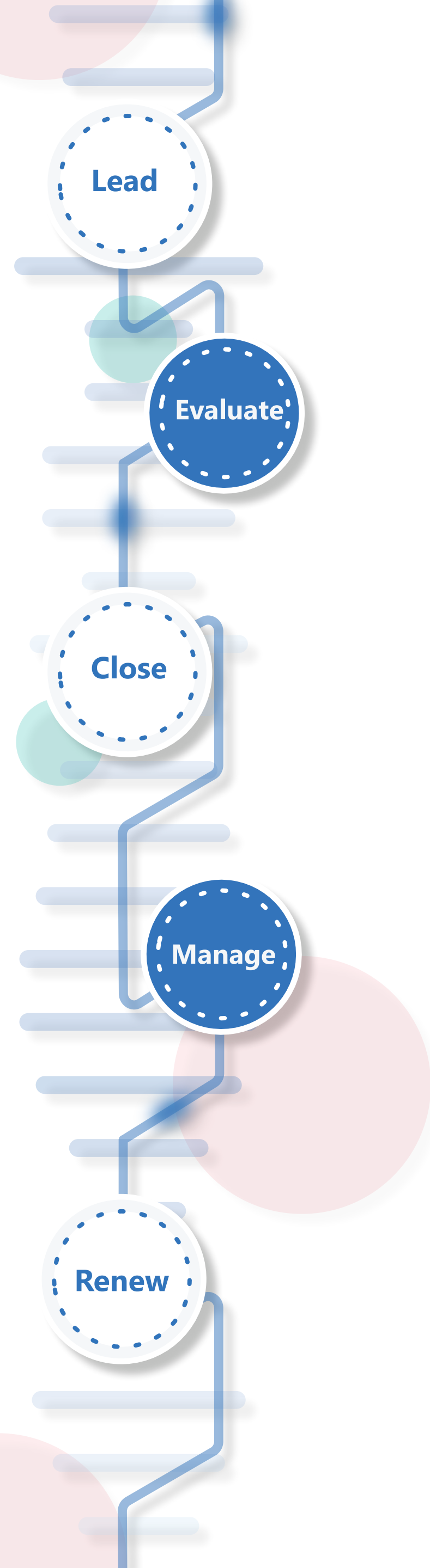
Evaluate & Close

During these stages, what every agency needs to think about is CPQ. By automating the configure, price, quote process, you can eliminate once-manual tasks and save your staff countless hours during the "Evaluate" and "Close" stages. Start with small groups first, compared to mid- or large-market groups, as this is where your greatest opportunity for automation lies. This is due to the smaller margin rates you'll see on these accounts and the extra layer of customization and complexity required for large group sales.

With a CPQ solution, you can quickly offer carrier-direct rates, deliver custom proposals and boost closing ratios. This, in turn, allows you to sell more quickly and win more business faster.

Manage

In the "Manage" stage, you'll need an AMS and client software. These are both critical to helping maintain long-term customer relationships. By using an AMS, you can store all your client data in a single location, more easily track client activity and simplify file organization, allowing you to find the information you need any time, regardless of location.

Client software, as mentioned above, helps you deliver the tech-inspired experience that today's customers are looking for. By providing more virtual servicing tools and online client management solutions, you can empower your clients to self-serve more of their insurance needs and reduce the number of questions you need to field on a given day.

Renew

Then there's the final stage—Renew—where you'll see CPQ and client software listed again. By using a CPQ solution in this stage, you can move beyond simply providing quotes at renewal to instead delivering strategic business advice, whether that be through plan comparison tools, plan design benchmarking or compliance insights.

In addition, as people become more accustomed to the convenience that client software solutions provide, the less likely they will be to leave you for another broker. For instance, by offering an online enrollment platform, you can simplify the entire election and onboarding process. This, in turn, will increase account stickness, since clients will be hesitant to switch to another broker still using a traditional paper system.

The same goes for solutions like learning management systems, client portals and HR applications. All of these solutions help you provide value that goes well beyond an insurance transaction and solves a pain point for your clients—whether that be employee education and training, direct access to content or burdensome HR tasks. These solutions also enable your clients to digitize more of their workflows, which can be a huge selling point for your agency as more businesses look to improve agility when it comes to remote work and virtual access.

By offering such technology, you can engrain your brokerage more in your clients' daily workflows—further building your status as a true strategic business advisor that they'll want to work with long term.

Don't Forget About Content

Content is the overarching item you'll see in each stage in the buyer's journey. Good content guides customers throughout their entire journey—all the way from an initial lead to renewal. And while content may seem like an easy box to check, it's far more complex than it seems on the surface.

Successful content requires two things:
1) an extensive library of resources
2) effective content management

After all, you could have the best content in the world, but if your employees can't find the resources they need quickly and easily, then what good is it?

Salespeople spend an average of 30 hours a month searching for and creating their own content, according to a study from RingDNA. A separate study from Forrester also found that 43% of sellers have reported losing a sale as a result of not having the right content at the right time. These are just a few stats that highlight the damage poor content management can have on your bottom line.

To put it simply, content management is all about knowledge management. It's about creating a single source of truth for your agency.

Successful content management requires three key steps or principles. Only by satisfying the first level, can you move up the ladder and begin to realize the full potential of content at your agency.

Centralization—Centralizing all the content your agency uses is essential for success in the Sales Revolution. This includes all the carrier content you have, everything you've gotten from third parties and everything you've created in-house. A lot of agencies use a shared drive on their network or a service like SharePoint to manage their solutions—but I hate to say it, that isn't enough. True content management requires more.

Content-backed Sales Play

Smart Content Delivery

Centralization

When evaluating content management solutions, you need to look for systems that allow you to use metadata to tag files, offer unique branding and personalization capabilities, and provide a high level of version control so you can easily keep documents up-to-date and accurate. Without these features, it's easy for your content management system to turn into the wild west and for your best content to go unnoticed.

Smart Content Delivery—Once you have all your content stored in a central location, many organizations stop there. After all, your content is in one place, so the idea is that it should be easy for everyone to find what they need quickly. However, it's not quite that simple.

Once you have hundreds or thousands of documents stored in one place, conducting a simple point-and-click search to find what you need can still eat up lots of valuable time. Staff likely still need to comb through pages of content to find what they need for each account.

To get ahead in the Sales Revolution, you need to look for a content management system (or CMS) that uses advanced technology to strategically recommend content for each individual account based on select criteria like industry, location, size and more. By using data to power your content decisions, you can get more out of your content management system invest-

ment and make sure you're sending the most relevant content to each customer and prospect.

Content-backed Sales Play—Not only must you deliver content to your clients and prospects in the most efficient way possible, but you must also deliver it to your producers and sellers. To successfully execute the sales and marketing plays we talked about earlier, you need to easily tee up content for your internal teams.

One of the easiest ways to do this is by looking for a content management system that integrates with your CRM solution so your sales team can get instant content recommendations for each account in the system they already use. By taking this third and final step, you can take your sales and marketing plays to the next level and truly set yourself apart from the competition.

The Power of Integration

Lastly, when examining your technology, it's important to think about how integrated or connected your solutions are. Historically, the insurance industry has operated within silos, making it difficult for agencies to quickly access the information they need and keep data up-to-date. This is also a problem many full-service agencies experience, with the benefits and P&C sides of the house often using different solutions that don't integrate or talk with one another—resulting in further inefficiencies.

When your technology solutions are integrated, changes made in one system can be instantly applied to all relevant data points. That way, you don't need to update data in five different systems when something changes. Instead, you can simply make the adjustment once, and it's reflected in all systems.

Integrated technology and open API are where the industry (and the business world as a whole) is headed, and it's essential that you assess these capabilities when evaluating potential tech solutions for your agency. Open API, or application programming interface, refers to the tools that make an application's data digestible for another technology solution.

Simply put, open APIs allow you to create a bridge between two applications—allowing them to share data freely between each other. This, in turn, helps reduce errors, minimize manual data entry and streamline workflow for your entire agency.

The potential of open APIs is huge, and agencies need to consider integrations during the purchasing process. Involving an IT specialist or someone with a similar skill set during decision-making processes will help ensure you're making a wise investment and equip your agency with the most powerful tech stack possible.

The Power of Communication and Collaboration

In a world where teams are working remote more than ever, technology will be what ties them together. But ultimately, whether or not that technology will be a success is up to your employees. It all boils down to the culture of your agency, your team's willingness to accept and embrace change, and their commitment to a digital-first mindset.

Collaboration will be essential moving forward—both collaborating internally to become a connected, digital agency and also externally with your clients to help them reach their business goals. The best agencies will be the ones working tirelessly to support and push one another to make their operations truly world-class. They will be the ones dedicated to their customers' success and working side by side to transcend the role of a traditional broker and become a truly integral part of their client's business.

To see real success in the Sales Revolution, you need to combine great technology with great people. You need to have a team in place that

will inspire and motivate one another to optimize the technology at their disposal and continue to look for ways to deepen and strengthen client relationships. Your people and your technology are what will set your agency apart.

Beginning the Journey

Just imagine all the efficiency and growth that could be achieved if you're able to integrate all six of these solutions (your CRM, marketing automation, CPQ, AMS, content and client software). The opportunities would be enormous. Think about how much more effectively you and your team could support customers throughout their buyer's journey and how many more customers you could win and retain as a result.

Picture a world where you could connect your CPQ to your AMS to your online enrollment platform. In this world, all the information from quoting would automatically feed into your AMS and enrollment system, so everything could be automatically pre-populated when employees log into the platform. Just imagine how much time it would save your agency and what a streamlined experience it would deliver to your customers. And, not to mention, the data you could leverage from all this integration would be enormous. You could get insights into what customers want before they even ask.

And while I know all this might sound futuristic, this is where technology in the insurance space is heading and what growth-minded agencies must start thinking about.

Those who choose to unfreeze and embrace change and technology to its full potential are the ones who are going to come out on top. The Sales Revolution is here to stay. Agencies can choose to ignore it, anchoring themselves to industry ideals of the past. Or, they can embrace change, follow where the puck is going and stay in the play. Which will you choose?

The Sales Revolution is just getting started, and I—for one—can't wait to see how it all plays out.

**Chapter 8
key takeaways:**

1

Automation will empower agencies to win new business and service existing clients in more innovative and effective ways.

2

Success in the Sales Revolution requires six core business solutions—AMS, CRM, CPQ, marketing automation, client software and content.

3

You don't have to overhaul all your processes at once. The key is to commit big, but start small.

4

Those who choose to unfreeze, commit and embrace new technology are the ones who will succeed in the Sales Revolution and beyond.

9

Sequence

So now that you know which tech solutions are needed for success in the Sales Revolution, the question then becomes where do you begin?

Throughout the book, we've repeated the idea of commit big, but start small. But knowing exactly where and how to begin can be overwhelming.

The key is to sequence.

Sequencing — Refers to the optimal order in which insurance agencies should implement technology solutions to achieve maximum success.

And this is an area where I see a lot of agencies making mistakes. Often, agencies will go on a tech buying spree, where they select solutions at random without fully thinking about how to implement them at their agency and even if they will integrate with their existing solutions. Then, they get frustrated when they fail to see expected results.

Approaching tech at a whim will leave your business running far below its potential. That's why sequencing is so important.

Automation Sequencing Framework
A proper sequencing framework examines three main factors:

In working side by side with hundreds of brokers over the years, I've found that automation is most easily achieved when you break down the six core business solutions we discussed earlier into three distinct buckets:

❶ Foundational data systems: Agency management system (AMS) and customer relationship management (CRM)

❷ Automation force multipliers: CPQ, marketing automation, and content & content management

❸ Client value-adds: Client portal, online enrollment system, HR applications and learning management system (LMS)

By separating your core business solutions into these three buckets, you can more strategically implement your tech stack and drive both short—and long—term wins.

Let's explore this idea further.

Investment Costs

Speed of ROI

Efficiency & effectiveness gains

Automation Sequencing Mapping

In pursuit of automation, businesses should sequence their approach to balance the impact each platform will have with the speed at which they're able to realize those efficiencies.

The chart below examines this idea in more detail and the return on investment you can expect to see from each solution in the buckets described on the previous page.

As you can see, the items higher on the y-axis represent a higher investment cost for your organization, while the items further to right on the x-axis indicate higher speeds of ROI.
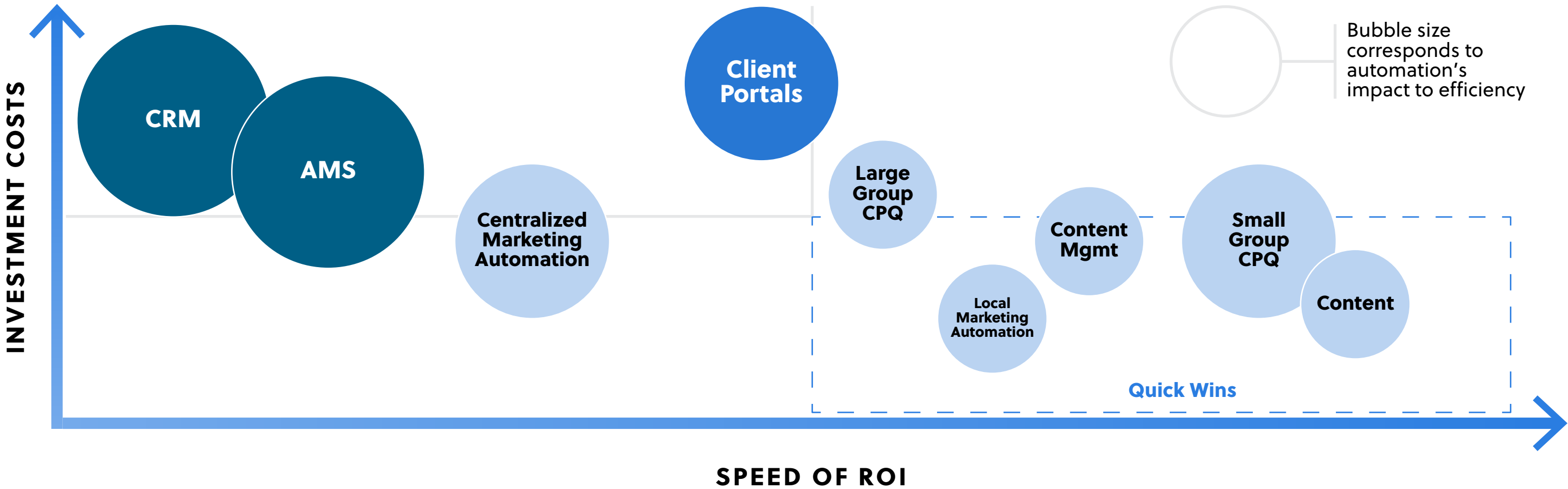
I realize there's a lot to digest in this chart, and many agencies first inclination may be to immediately jump into that quick-win quadrant. However, that's not what I recommend, and it's a mistake I see lot of agencies make. Instead, you need to balance your approach. By slotting in quick wins alongside your work on your foundational data systems, you can generate efficiency and effectiveness gains and set your business up for long-term success.

Step 1: Lay the Groundwork

First and foremost, I recommend beginning with your foundational data systems—your AMS and CRM. These are the pillars of any agency's success, so thoroughly evaluating vendors and their integration possibilities is of the utmost importance.

And I cannot overstate this enough—your AMS must integrate tightly with your CRM and other downstream automation applications. I'm not just talking about data, but also workflows. In the new digital world, there's an increasing amount of information that needs to be shared between your tech solutions so selecting platforms with open APIs and integration capabilities is critical.

I'm not going to sugarcoat it—AMS and CRM implementations are hard work. And they take a lot of time. For large agencies, implementation can take anywhere from 2-4 years, and for smaller, regional agencies, anywhere from 6-12 months. CRM and AMS solutions will require the biggest time and resource commitment of any core business we discuss, but they are the cornerstone of your data integrity and your agency's success.

Bubble size corresponds to automation's impact to efficiency

INVESTMENT COSTS

SPEED OF ROI

CRM · AMS · Centralized Marketing Automation · Client Portals · Large Group CPQ · Local Marketing Automation · Content Mgmt · Small Group CPQ · Content · Quick Wins

That being said, AMS and CRM prioritization should be at the top of every list for mid- to large-sized agencies. Smaller, regional shops still need to prioritize AMS implementation as well, since no matter your size, having a well-oiled system of record and customer tracking mechanism is essential. After all, automation is critical for any agency's success, no matter your size, in the digital world.

Given the amount of time implementation can take though, I recommend simultaneously executing quick wins from the automation force multiplier bucket mentioned above. Taking this approach allows you to not only achieve quick wins that can boost productivity and drive growth, but also increase employee buy-in. When staff can see first-hand the benefits of technology, they are more likely to support future and ongoing tech initiatives (like your CRM and AMS rollout) and further ingrain a digital-first mindset.

Step 2: Slot in Quick Wins

Your automation force multipliers are your CPQ, content and content management, and marketing automation solutions. These are the solutions you can implement relatively quickly that deliver efficiency and effectiveness gains.

While each agency is unique, in general, this is the sequence I recommend when rolling out your automation force multipliers:

1. Small group CPQ
2. Content & content management
3. Localized email marketing automation
4. Large group CPQ & centralized email marketing automation

Within these buckets, businesses typically see the most success when they focus on optimizing their small group customer segment first, and then leverage those learnings to move onto automating processes within their medium and large customer segments next.

That being said, let's dive into what you need to know about each solution and some of the quick wins you can expect to see.

Small vs. Large CPQ
One area where you can realize a quick return on investment is CPQ, particularly small group quoting. I recommend starting with small groups first, compared to mid — or large — market groups, as this where your greatest opportunity for automation lies. This is due to the smaller margin rates you'll see on these accounts and the extra layer of customization and complexity required for large group sales.

With small group quoting, you can automate soup-to-nuts everything and instantly deliver quotes to clients and prospects. With large groups, while you can certainly make specific parts of the process more efficient, you can't automate everything since each carrier will still want to underwrite and do their own analysis before providing a quote.

It's also important to note that for some areas, particularly personal lines, digital quoting via a consumer portal is nothing new. In fact, the do-it-yourself approach is becoming an industry norm. Fueled by events such as the global pandemic and disrupting weather events, consumers have come to expect this offering. Personal lines have led the way in this consumer-centric approach and now this technology must evolve for the remaining insurance sectors.

Rollout of small group CPQ will typically take about 90 days to complete for both benefits and P&C. Implementing small group quoting will eliminate manual and time-consuming workflows, helping to boost efficiency while you continue to roll out your AMS and CRM.

Content & Content Management
After rolling out small group CPQ, it's time to look at your content solutions. We spent the last chapter talking about why content is so important in the digital age, so if you need a refresher, take a look back at .

In general, to implement a new content and content management solution, small agencies can expect it to take 2-4 weeks while 1-3 months is typical for larger agencies. The amount of time may vary for your organization depending on a number of factors, including how long it takes you to find and upload all your in-house or third-party content and how much of it you have.

By backing your business with the power of content, you can then move onto the next solution—email marketing automation.

Email Marketing Automation: Localized vs. Centralized
In the previous chapters, we talked the importance of regular and consistent communication with clients and prospects, and one of the best ways to achieve this is through email marketing. Before we talk about implementation timelines, though, it's important to note there is a difference between localized and centralized email marketing automation solutions for mid-to large-sized agencies.
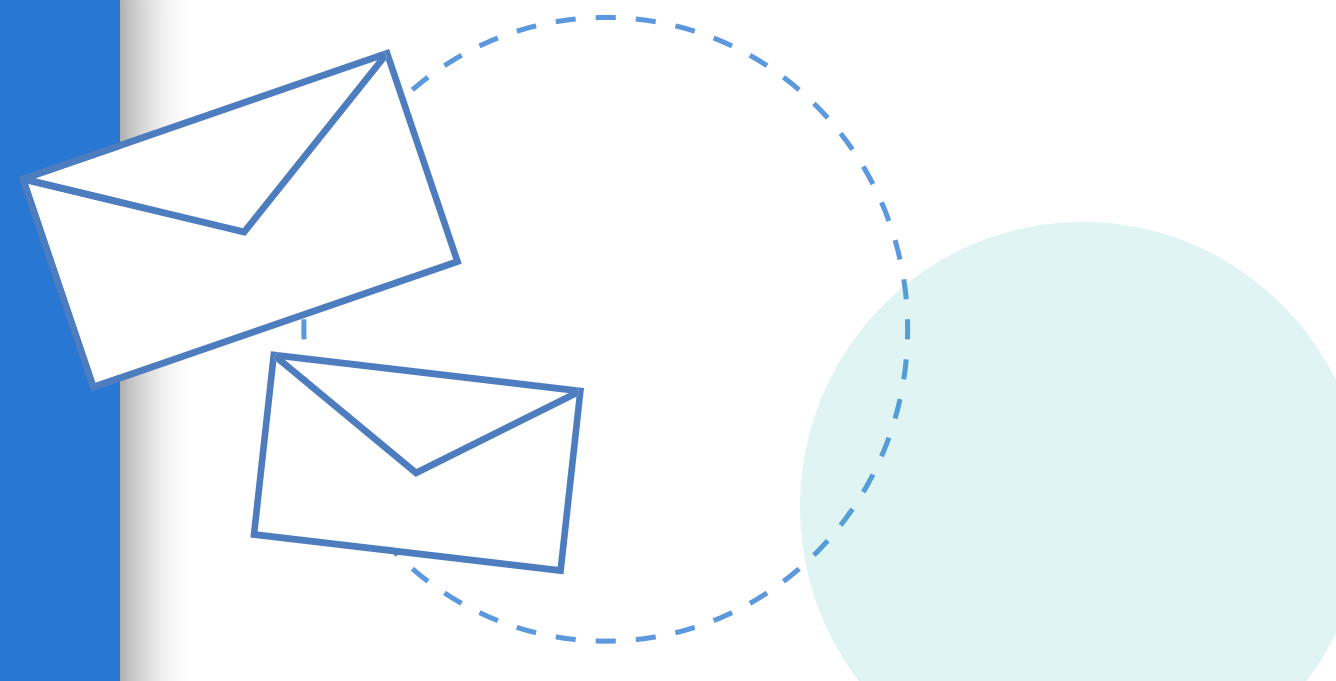
- **Localized email marketing automation** refers to the solutions that support producers' and agents' field marketing efforts to help drive new sales and upsell/cross-sell opportunities
- **Centralized email marketing solutions** support the work done by larger, corporate marketing teams, focused more larger campaigns and brand awareness than local opportunities

So, while your corporate marketing team may use a solution like Marketo or HubSpot, this is something that brokers and agents typically don't have access to. Instead, to support their field marketing efforts, they need a separate, localized email marketing solution to help them streamline communication so they don't spend hours and hours sending one-off emails. Using third-party data can help make your marketing campaigns more efficient, targeted and personalized, as well as providing verified data that help eliminate outdated or inaccurate information.

Agencies can expect rollout of a localized email marketing automation solution to take about 1-2 weeks for a small agency and 2-4 months for a larger agency, while a centralized solution may take approximately 6 months or longer depending on the size and structure of an organization.

Efficiency & Effectiveness Gains: Content Management

- **Increased productivity** – Staff will spend less time searching for content and more time selling and servicing instead
- **Shorter sales cycles** – Agents can quickly showcase their expertise and move from relationship selling to solution selling, helping customers move more quickly in their buyer's journey

Once you have implemented a localized solution, you can then leverage those learnings and shared applications (your content, content management and local marketing automation) to optimize automation in your mid to large client segment and begin to roll out your centralized email marketing automation platform and large group CPQ.

A final note: Remember, not all automation force multipliers need to implemented before your CRM and AMS rollout concludes. Instead, the idea is to slot in these solutions as resources and time allows to achieve quick wins along the way. However, all automation force multipliers should be implemented before moving onto the final stage—your external client value-adds.
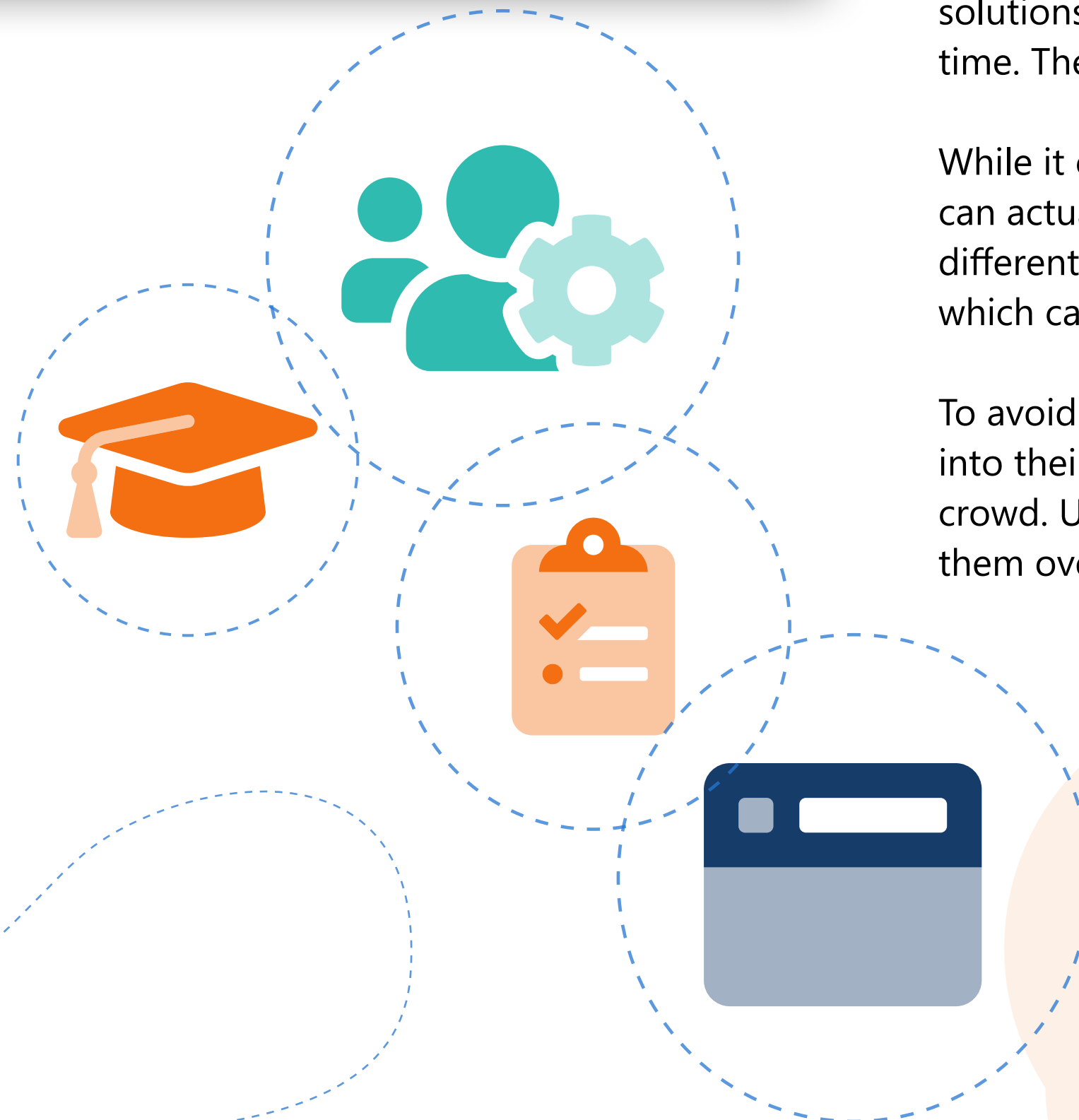
Step 3: Layer in Client Value-Adds

By this point, you've laid your foundational framework and taken care of your internal automation solutions, leaving one key component left—your external, client value-adds.

Client value-adds refer to the client software you provide to make your clients' lives easier, including online portals and enrollment systems, HR applications and learning management systems.

Similar to your efforts to automate your internal processes, when it comes to external client solutions, it's easiest to think of them in terms of building blocks that you can gradually adopt over time. The way you structure your value-adds will depend on your agency focus and client appetite.

While it can be very tempting to try to implement a bunch of client value-adds at once, doing so can actually harm customer satisfaction. When you try to roll out 5 different solutions from 5 different vendors all at the same time, clients can get overwhelmed and experience portal fatigue, which can result in low utilization or no usage at all—decreasing your ROI.

To avoid client burnout, I recommend using this building block/modular approach to ease clients into their technology. This strategy will vary slightly for the employee benefits crowd versus the P&C crowd. Using this modular approach allows you to effectively meet client needs now and grow with them over time. Consider this approach to constructing your strategy and planning your timeline.

Benefits

- Provide your clients an online portal full of relevant HR, compliance and insurance content.

- This self-service offering empowers clients by giving them resources that can be accessed 24/7.

- After implementing your portal, you can then move on to offering HR applications and a learning management system (LMS).

- While HR apps will vary depending your clients' unique needs, common offerings include employee handbook builders, compliance calendars and salary benchmarking tools.

- And don't forget about an LMS. An online LMS provides an easy way to help clients meet their education, HR and compliance needs at a low cost, while further cementing your status as an invaluable business partner.

- The last step includes your benefits admin and online enrollment solutions.

- Typically, these are the most complex components, with a large amount of variability between clients.

P&C

- Provide your clients an online portal full of relevant risk management, safety and insurance content.

- This self-service offering empowers clients by giving them resources that can be accessed 24/7.

- After implementing your portal, you can then move onto offering risk management solutions, commercial compliance tools and a learning management system (LMS).

- While specific solutions will vary depending your clients' needs, common offerings include loss control resources, OSHA logs, compliance tools and safety information.

- And don't forget about an LMS. An online LMS provides an easy way to help clients meet their education, safety and compliance needs at a low cost, while further cementing your status as a trusted advisor.

STEP ONE

STEP TWO

STEP THREE
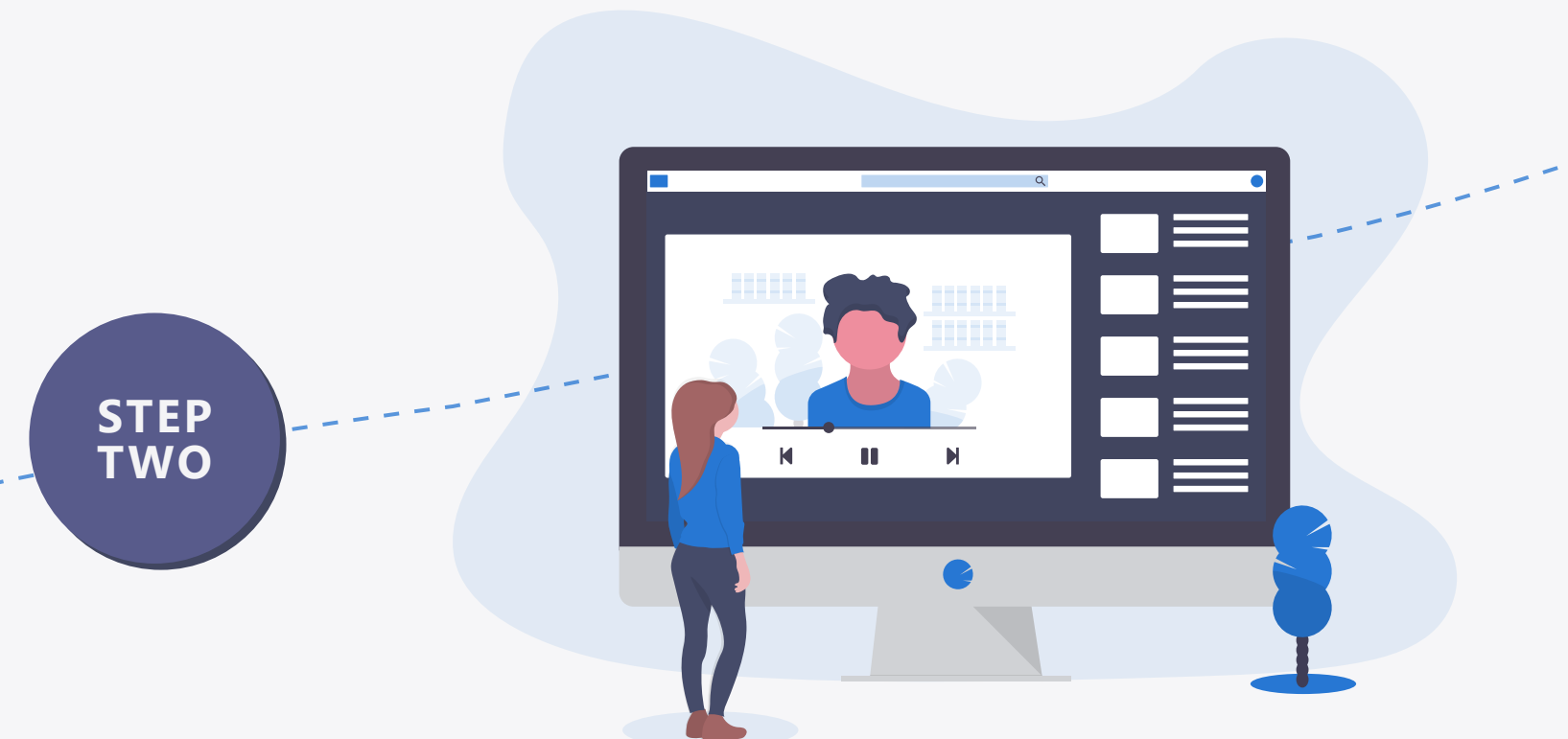
Ultimately, all of your client value-adds should be served up in one, integrated client platform. Meaning clients can launch their online portal, LMS, HR apps, etc. through one main solution, rather than having to remember different log-ins and learn different systems. Offering a single, integrated platform will greatly improve the customer experience and drive utilization, which will help make your accounts stickier in years to come.

The Journey Starts Now
I know that was a lot to throw at you, but just imagine all the efficiency and growth that could be achieved if you're able to successfully sequence and integrate all six of these solutions (your CRM, marketing automation, CPQ, AMS, content and client software). The opportunities would be enormous.

Think about how much more effectively you and your team could support customers throughout their buyer's journey and how many more customers you could win and retain as a result.

Picture a world where you could connect your CPQ to your AMS to your online enrollment platform. In this world, all the information from quoting would automatically feed into your AMS and enrollment system, so everything could be automatically pre-populated when employees log into the platform. Just imagine how much time it would save your agency and what a streamlined experience it would deliver to your customers. And, not to mention, the data you could leverage from all this integration would be enormous. You could get insights into what customers want before they even ask.

And while I know all this might sound futuristic, this is where technology in the insurance space is heading and what growth-minded agencies must start thinking about. Those who choose to unfreeze and embrace change and technology to its full potential are the ones who are going to come out on top.

The Sales Revolution is here to stay. Agencies can choose to ignore it, anchoring themselves to industry ideals of the past. Or, they can embrace change, follow where the puck is going and stay in the play. Which will you choose?

The Sales Revolution is just getting started, and I—for one—can't wait to see how it all plays out.

**Chapter 9
key takeaways:**

1

Approaching tech at a whim will leave your business running far below its potential. That's why an automation sequencing framework is essential.

2

A proper automation sequencing framework examines three main factors: investment costs, speed of ROI, and efficiency and effectiveness gains.

3

Slotting in quick wins alongside work on your foundational data systems will ensure both short- and long-term success and ingrain a digital-first mindset in your organization.

4

No technology should operate in a silo. Integration between each solution in your tech stack is critical if you want to thrive in the Sales Revolution.

AUTHOR BIOS ▶

Author Bios

Don Bailey, Bristlecone Partners

Don has over 30 years of experience in the insurance industry, working in various roles spanning from underwriter to producer to CEO. Don was the former Chairman and CEO of Willis Towers Watson North America, President of Allstate's business-to-business portfolio of companies and the President of Global Sales at Marsh.

During his time at Marsh, Don led the company through arguably one of its most substantial changes related to selling and its go-to market strategy, which centered around increasing new customer acquisition and bookings to drive faster growth. Don and the sales leadership team at Marsh early on embraced many of the sales techniques discussed in this book, resulting in a 4x increase in global sales growth.

Don resides in New Jersey with his wife, three children, and their blind and deaf rescue dog, Pepper. Since starting Bristlecone, Don has passionately pursued learning, as evidenced by his neuroscience certifications from The NeuroLeadership Institute and The Wharton School.

Jason Liu, CEO Zywave

Jason has over 20 years of experience leading multiple, high-growth software companies across the world. Previously, he served as CEO of UC4 Software, Univa UD and SAVO, a leading provider of sales enablement software.

During his tenure at SAVO, Jason was at the epicenter of working with numerous large and midsized companies making the Sales Revolution transformation outlined in this book. Jason also worked closely with many of the leading sales consulting firms and market experts in the sales automation area during this time—all of which set him on course for his next role, CEO of Zywave.

Since joining Zywave in the spring of 2018, Jason has implemented the sales and services model championed in this book to build Zywave's reputation as a leading insurance technology provider.

In his spare time, Jason loves traveling with his wife and two sons, and can never say no to new adventures—whether that be running with the bulls in Spain or fly-fishing in New Zealand.