

Needs Based Selling in Any Environment



*Authored by Jerry Borrowman
CapitalRock Product Specialist, CLU, ChFC, MSFS, CAP, LUTCF*

In the midst of the most troubling economic environment since the Great Depression, some advisers are struggling while others are thriving. In most instances, the difference is service. Those advisers who are working actively to help clients whose lives have been impacted by the recession are finding numerous opportunities to help people when they need it the very most.

Consider one example. Imagine that an adviser lives in an area that has been hard hit by the recession—in fact 15% of her clients recently lost their jobs. Assuming that most have money in their 401k's at their previous employers, these folks have to decide what to do with their savings. Of course some will need to use the money, perhaps taking advantage of Section 72(t) level withdrawals to provide an income without the 10% pre-59 ½ penalty. But even with a modest client base of 300 clients, she has a number of opportunities:

- If her clients have an average 401k balance of \$50,000 and 15% of them changed jobs, she'd have 45 clients with over \$2.25 million in assets to work with. That creates an opportunity to complete an IRA rollover into a traditional or Roth IRA.
- If she has clients whose income is down from previous years, 2010 may be the perfect time to complete a Roth Conversion, with the balance applied to a new annuity or mutual fund.
- Clients who are in their 50's may want to consider moving some of their money (both qualified and unqualified) into the safety of a fixed deferred annuity to reduce their risk going forward?
- Some may wish to purchase a Single Premium Modified Endowment Life Insurance policy where the cash value growth is similar to an annuity, but with a tax-free death benefit for heirs. Depending on their age, the death benefit may offset some of the losses they incurred in their investments and savings plans.
- With the market hovering around 11,000, down from its peak of 14,000, perhaps now is the perfect time to re-invest!

[No matter the situation people always have a need. To be successful you simply have to discover what the real need is and how you can truly help. It's really about servicing your clients.]

As you can see, there are multiple opportunities to serve the client's needs, and in the process to reach her financial goals. Ultimately helping your clients in difficult times will build trust and establish deeper relationships. The key is to finding those clients who have needs. Approaching someone who doesn't have a need will look like a desperate sales pitch. Their names and situation are buried in your client database, but do you know how to sort through it to find the opportunities. That's where RightBridge can help. Why not call your Development Manager to find out how you can use this tool to help you help the people who depend on your advice. It will be rewarding for all of you.