



The Insurance Sales Process - and How to Get Started

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by red barn consulting, llc

summary

Selling in the insurance industry involves a diverse product offering, discerning customers, and complex pipeline management in an evolving and highly competitive industry. A clear and concisely documented sales process is essential in keeping insurance producers on track. It provides a clear path to the close, elevates the customer experience and increases customer satisfaction, which translates to higher conversions and increased revenues.

introduction

To achieve consistent sales results, your sales team needs a documented sales process consisting of your best practices. Your process needs to be repeatable and easy to follow, mapping out the steps, activities and milestones required to move opportunities forward in the pipeline.

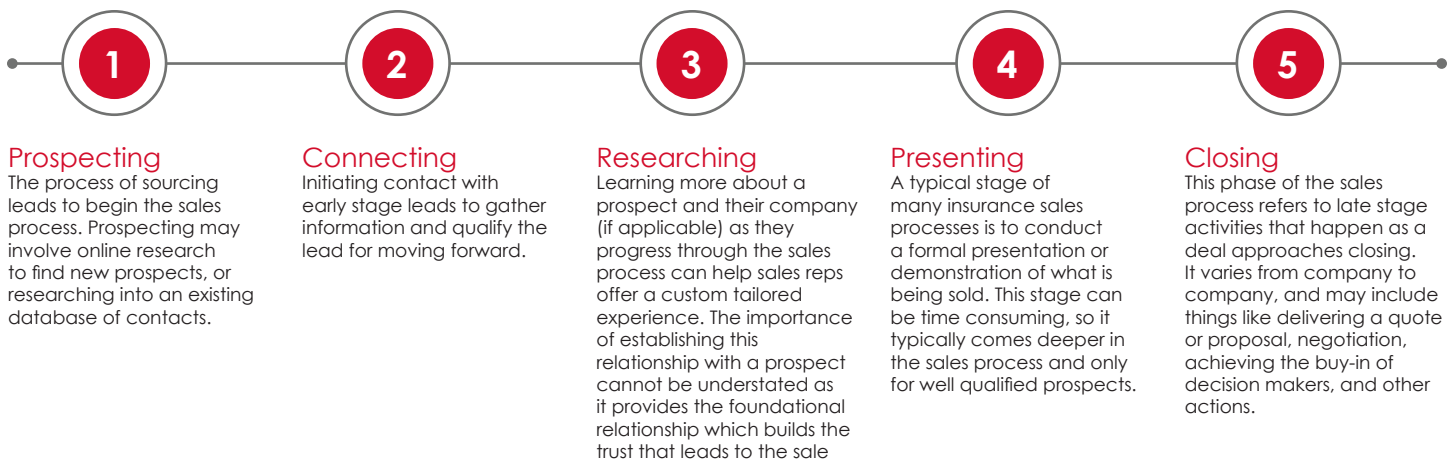
"If you want to teach people a new way of thinking, don't bother trying to teach them. Instead, give them a tool, the use of which will lead to new ways of thinking."

— R. Buckminster Fuller

what is a sales process?

A sales process is a tool that illustrates a repeatable set of steps that your sales team takes with a prospect to move them from the early stages of the relationship to a closed deal.

Common stages of the sales process include:



95% of buyers chose a solution provider that “Provided them with ample content to help navigate through each stage of the buying process” [Source: DemandGen Report]¹

process vs methodology

While many organizations may think that they have a sales process in place, in fact what they really have are a set of sales methodologies. It's important to understand the difference between the two.

sales proc•ess

1. a specific, concrete set of actions that your team follows to close a new customer.
2. a strategy

sales meth•od•ol•o•gy

1. a framework for how different parts of your sales process are actually carried out.
2. tactics

You can think of it this way: A sales process is a strategy and sales methodologies are tactics. While your sales process is the high-level map of steps your team takes, within each step, you'll want to communicate the different methodologies that can help guide how the members of your team approach and execute the sales process.

Sales methodologies are more culture-centric and should be an integral part of your sales process in order to provide a consistently high-level experience for your customers.

why a sales process is important?

- ✓ **Understanding** – A sales process gives a salesperson the step-by-step process for a sale which allows a business to understand how and why sales are closed. This understanding provides a clear measurement of sales efforts which facilitates more informed adjustments in selling tactics
- ✓ **Efficiency** – It creates efficiencies in sales by having a defined process and leaves little to chance
- ✓ **Consistency** – It provides for a more consistent and satisfying experience for customers
- ✓ **Focus** – It allows all team members to talk in the same way using the same language so a manager can quickly and efficiently decipher where a salesperson is in the process and can provide focused assistance
- ✓ **Ease** – It allows for ease of training since you have a universal process to which you train

At Assurance, we've created our own sales process. This process has allowed us to maintain an industry leading level of new business sales each year... A well-defined sales process will help you grow your business over the long run."

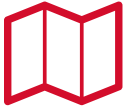
–Tony Chimino, CEO Assurance

building a sales plan



Observations

Creating a well-documented sales process begins with observations. Looking at historical sales and specifically how deals were closed is the first step. You identify the length of the sales process overall, as well as define customer touch points within the process and the timing between those touch points.



Mapping

At this stage of building your sales process, compile all of your observations and begin to lay out a map of your findings. This map may be generic and incomplete at first, but this is a good step in getting the general framework laid for the finer details to be added later.



Define Milestones

Within your sales process define prospect actions that warrant moving the sales process to the next step. This is a series of "go" "no go" stages that your sales team can easily identify to keep them on a clear and efficient path towards the sale. It also serves to cut down on wasted time with dead end prospects.



Measurement

A sales process is only as good as the metrics prove it to be. Gathering data on key interactions and sales metrics is critical to the evolution of your process. For example, one key metric to observe would be the length of time a prospect stays in a particular stage of your process. Measuring this allows you to not only project timelines to conversion but will also reveal trends that will highlight areas of strength, weakness, and opportunity.



Refine and Adjust

Building a formal sales process is an iterative process and will not happen overnight. Embrace this concept from the beginning and inform all of your sales reps to be flexible in understanding that new elements to this process will be added as you gain more insight into the efficacy of your strategy.

"By simplifying internal Information Technology architecture and creating standardized, repeatable processes, insurance companies can enhance collaboration among key parties, reduce paperwork, and more effectively manage the overall insurance process from soup to nuts. The results of these efforts to automate and optimize business processes include increased profitability, superior customer service and a significant increase in shareholder returns."

[Source: Breaking with Tradition in the Insurance Industry: Strategies to Insure Operational Efficiency and Future Growth³]

key elements for defining a sales process

Be Specific: Ambiguity is difficult if not impossible to measure. It's important to define specific actions on the part of the prospect that cause them to be moved from one stage to the next. Concrete milestones provide you with an accurate understanding of where things are and aren't working in your sales process.

Be Patient: A sales process will take time to build, measure, and adjust. It's a marathon not a sprint, so taking your time to build out a comprehensive plan with detailed steps is critical to the success of your sales process overall.

Drill it Home (with an open mind): Once your process is in place, don't expect that it will be adhered to by all of your team members right away. You'll need to allow for some time for the new process to take hold, and you may even face some resistance along the way. Constant touches with your sales team is critical in keeping them bought in and on point. Keep your finger on the pulse and be open to what your team is saying about it. They will provide you with valuable feedback that you will use to adjust your process.

Get Digital: With a growing digital age, comes a variety of digital solutions to help you streamline your sales process and increase efficiency. A CRM tool (Customer Relationship Management) can help your sales team keep the sales process on track and moving forward expeditiously.

A CRM allows you to:

- Track in-progress deals in real time
- Share best practices and critical sales information with your team
- Provide 24 hour accessibility for your team to prospect information so they may update accounts from anywhere on any device.
- Crunch numbers and analyze data in real time

conclusion

An effective sales process combines operational mandates, sales methodologies, positive culture affirmations, milestones and key performance indicators. In the insurance industry, comprehensive sales processes that are clearly laid out with sales teams have proven to increase efficiencies, elevate the customer experience and improve customer satisfaction, and ultimately raise conversion rates.

A documented sales process is an invaluable tool that benefits insurance sellers on multiple levels by providing one system for all sales reps to prescribe to, as well as a platform for management to clearly measure sales efforts and adjust sales tactics based on tangible data.

about the author

Red Barn Consulting is an expert digital marketing, sales, and operations firm, specializing in banking and financial institutes. Their expertise includes:

- Audits of banking websites to identify gaps with WCAG 2.0 standards.
- Bringing websites in line with ADA and DOJ accessibility regulations.
- Project management of website accessibility projects.
- Consulting on web design, development, sales, and operations.
- Complete social media, digital, and content marketing services.

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