



Building Your Practice by Working with Business Owners and Strategic Alliances

A primary benefit of working with business owners is that they typically have multiple planning needs, which create a pipeline of potential sales opportunities. The sales opportunities may include succession, retirement, and executive benefit/key person planning.

Several years ago, I met with a life insurance producer who opened my eyes to yet another benefit to focusing on the business market — as your clients' businesses grow, so potentially does your practice. This life insurance producer made the decision years ago to focus his practice on working with businesses. Many of his original clients were small to mid-sized businesses. But guess what happened over time for some of them? They grew. Not only did they grow, but a few grew into very large businesses. And as they grew, so did the planning opportunities and the success of the life insurance producer's practice.

A few of the businesses ended up being sold for millions of dollars to third parties. As a result, his clients asked him to add money management to his practice. He now has over \$100 million of assets under management, primarily proceeds from the sale of his clients' businesses. In addition, some of his business clients now have large estates and have purchased life insurance policies from him to provide liquidity at death to pay estate taxes.

So how does one gain access to business owners? One tried-and-true method is to develop strategic alliances with centers of influence who have a lot of businesses as clients. Examples include certified public accountants (CPAs), business planning attorneys, employee benefit firms, and property and casualty agents. Establishing such relationships, however, is easier said than done.

Once you've determined which advisors with whom you would like to work, the key in the initial meeting is to identify their particular needs by doing a good job of factfinding. Here, your focus should be on listening to them rather than delivering a sales pitch. Find out what would motivate them to work with you. Are they looking for new clients, more revenue, and/or to better service their existing clients?

After the initial meeting, your focus will likely shift to developing the relationship and establishing your value proposition — e.g., how your life insurance and planning expertise can help the advisor better service his or her business clients. Be patient; this may not happen overnight. If you are ultimately able to form a strategic alliance with the advisor, the final challenge is to help the advisor identify business owner clients that may benefit from your services. There are a variety of ways to accomplish this, including the targeted client approach (i.e., identifying clients that may benefit from a



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particular planning strategy) and client appreciation seminars. For more information on how to successfully develop relationships with centers of influence, see Pacific Life's marketing brochure entitled "Building and Nurturing Strategic Alliances with Professional Alliances."

If all of your hard work has paid off, then you should start to receive business owner referrals from your strategic alliances. Over time, you may see your business owner clientele expand significantly. As your business owner clientele grows, so should your practice and its success.

**For more information about advanced life insurance planning,
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