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Senior Market

ANNUITIES • LONG TERM CARE • LIFE INSURANCE • INVESTMENTS • MARKETING

Advisor[®]

INSURANCE AND FINANCIAL PROFESSIONALS SERVING CLIENTS 50 AND OLDER

What happened to the
fixed annuity
market?

Are **reverse**
mortgages
right for your
senior clients?

a Family Affair

WHAT YOU CAN LEARN FROM THE CAPRETTAS
ABOUT SUCCEEDING IN THE SENIOR MARKET

When seminar
marketing
doesn't work

What's the right
designation for
your **practice?**

[Larry Capretta and his top
agent recruit, daughter Lisa.]



too Much

SENIOR SEMINARS ARE REACHING THE MASSES, PARTICULARLY IN FLORIDA, BUT THE RESULT IS NOT NECESSARILY GOOD FOR BUSINESS.

of a good Thing?

Story Maria Dimengo
Illustrations Greg Tucker

It's 78 degrees outside and the bright sun is beating down on a group of hungry seniors gathered outside the Senior Fun Fest in Largo, Fla. A line 40 deep has formed along the sidewalk where representatives from Humana are handing out free hot dogs, chips and cookies.

The line is moving as slow as molasses, and folks want to know why things are at a standstill. Once they finally reach the front of the line, a Humana employee cheerily hands them a pen and an application form, asking them to make a reservation to attend an upcoming seminar at the Golden Corral, Red Lobster, or other local eatery. Once they fill out the form, they're handed a free lunch. >>>

Who's On the Line?

Seniors sound off on telemarketing sales pitches

Have seniors grown wary of the seminar pitch? In some parts of the country, invitations to those informational workshops on financial planning, long term care insurance, Medicaid and annuities seem to come so frequently that the most they garner are half-smiles and polite "no thank you's."

For the rest of the dead leads, a seminar is more about killing time, socializing and free food.

Arlene and Stan Berger live in Monroe Township, N. J., but vacation in Florida during the winter months. They work as independent actors, contracting for companies that develop television commercials, print advertising and training videos geared to the senior market.

The Bergers stay busy, traveling all around the country for photo shoots and taping sessions. And when they return to Florida, they can always count on seven or eight telemarketers hawking financial seminars or trips to exotic places.

"We get a lot of those recorded messages," says Stan, 73. "You pick up the phone, and by the time you answer, they're already into their spiel. I guess they figure, if they can get a few out of the deal, it works."

Arlene, 70, says the calls are more about financial seminars than anything else. "When they call us, we don't go," she says. "We went two times in the 10 years we've been here, and we enjoyed the meal, but that's it. We have friends who go because they get the free meals."

Vernelle, a 75-year-old senior from Largo, Fla., says he gets about two to three calls a week. "The heck with it," he says. "I just got something in the mail for a seminar yesterday. They're having some dinner out on the beach. They're always trying to sell me home insurance, or trying to tell me how to invest my money."

Dorothy, 87, knows the seminar pitch all too well. "I went to one and got up and walked out," she says. "They weren't talking about what I thought they were going to talk about."

"Frankly, it's a pain in the neck," adds Arlene. "These people are so phony, saying they have the most wonderful product in the world. They call you at all times of the day. It's just awful."

The Humana booth has become a regular sight at senior events in Florida, where an estimated 3.8 million seniors reside. Depending on the venue, seniors might be treated to sandwiches, made-to-order omelets and other goodies once they fill out a form or agree to attend a seminar on Medicare eligibility, asset preservation or other related topics.

Senior seminar marketing is big business in Tampa Bay. The message has reached the masses, as telemarketers, radio stations and community newspapers advertise free lunch and dinner seminars for those 55 and older.

But many skeptics wonder if these types of seminars are successful. Snowbirds who head south for the winter choose to avoid them altogether, or don't get invited at all because advisors are looking for long-term clients who are year-round residents. Many agents contend that the Florida market is oversaturated and that they're having a tough time turning suspects into prospects.

"We can only conclude from talking with other firms who have tried seminars in our area that Pinellas (County) is seminared out," says Paul Gunther, director of consultancy for IAMS Tax Advisory Group in Clearwater, Fla. Gunther has been in business for 27 years and works for a full-service agency that provides products to dozens of life, property and casualty agents throughout the state.

Gunther first tried seminar marketing in the fall of 2002 and enlisted the help of a direct mail company in Tampa. He selected from a variety of pre-packaged mailers, tickets, invitations and mail-in cards, but the results were somewhat lukewarm.

"We spent approximately \$25,000 on hard costs... commissions resulting directly from the seminar activity [has] to be less than \$8,000," he said.

A Wholesaler's Perspective

Outside the Best Western hotel in Tampa, a group of insurance brokers are gathering for coffee, waiting to attend an informational seminar on the "myths and realities" of long term care strategies for seniors.

Elaine Marvin, Regional Marketing



Director for Golden Rule, is the scheduled speaker for the morning. Marvin has a good crowd, with nearly every seat filled.

Her job is to educate producers and give them tips on how to increase their business. She admits that a lot of brokers — including herself — try to sell long term care using a pre-packaged approach. “Recently it dawned on me that I was spending way too much time trying to ‘educate’ the client using the statistics on long term care,” she says. “Do you think a client believes that 50 percent of people over the age of 85 suffer from Alzheimer’s? Do you think they believe they have a 43 percent chance of needing long term care once they hit the age of 65? People don’t buy car insurance because of the statistics. They buy car insurance because they have a visual image of car wrecks. From a selling perspective, I have now started creating more of a visual picture for long term care.”

It’s not easy to encourage seniors to attend seminars, admits Marvin. “I find it harder and harder to get people to

take time out of their day and drive through traffic, only to listen to a topic that they don’t want to think about,” she says. “It’s better to have a menu seminar where a lot of different topics are discussed. I also think the producer needs to keep in mind the purpose of the seminar, which is really about selling yourself and getting an appointment, not selling a product.”

Marvin suggests looking for different venues where you can be a guest speaker for a meeting or senior organization. She also recommends networking with other professionals that cater to the same type of client. “I had a unique experience a few years back with an attorney in Jacksonville,” Marvin says. “An insurance agent had invited both of us to be speakers at a seminar that he was hosting. We both showed up to speak at two seminars that day with only a handful of attendees.”

Determined to salvage something from the seminars, Marvin struck up a conversation with the attorney about his own client base. “He asked me if I would be interested in speaking to his clients if

he did all of the work to get them to attend,” she said. “He ended up having an ice cream social on the coldest evening of the year in Jacksonville for 60 of his clients. Needless to say, he is one of my favorite attorneys.”

Who You Gonna Call?

Flip through the pages of any financial broker magazine and you’ll find a host of seminar systems, lead lists and techniques that promise to boost your business almost instantly. Gunther, the agent in Clearwater, said he once considered buying a national seminar system, but decided that the results were geographically skewed.

“The stats they quoted were based on results achieved in Northern states,” he says. “Nothing approaching the numbers being bandied about has been achieved in Florida.”

So what kind of numbers can brokers expect when it comes to seminar systems? Some agents admit they have a winning formula, yet many were unwilling to share the details of their strategies, fearing someone would steal

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