90% New Business Hit Ratios… Guaranteed!
In today’s Performance Map, you will learn:

• A system to guarantee a 90% new business “hit ratio”
• How to measure your performance… the Diminished Value Snapshot
• Hit Ratio 92.5™
• How to float like a butterfly… sting like a bee!
• No clients
• No carriers
• No revenue
• No staff
• No name recognition
• No money
• Scott Addis was 34 years old
• A $50,000 loan and a 3rd child on the way
Scott’s Inner Most Thoughts in 1990

• Experience with the “middle market” business consumer
• Knowledge that the middle market consumer was searching for a different kind of game
• Desire to serve as a trusted business advisor
• Pitfalls of the traditional bidding process
• Belief that I was not in the business of insurance
• FEAR. I HAD TO BE DIFFERENT
Fear of Failure

While many entrepreneurs are driven by the sweet taste of success, I had a fear of failure. I could not let those who believed in me down – especially my family!
Motivation

Fear is a great motivation – especially when you have a lot at risk. I did!
Strategies to reduce the Fear Factor and differentiate The Addis Group in the Marketplace

1. Unique Process
2. Value Proposition
3. Prospect Criteria Filter
Unique Process…
The Risk Management Audit

Strategy 1

- Identify Exposures
- Develop Strategies
- Monitor Plan
- Implement Programs

Performance Map™

Beyond Insurance®
Strategy 2

Value Proposition

Described how The Addis Group would create value for others. Without a compelling value proposition, The Addis Group would be ordinary and disposable – a commodity! With a value proposition, we were unique and indispensable.
My unique diagnostic process enables organizations and families to:

1. Identify the risks facing the business and/or family unit
2. Design strategies to mitigate these risks with the goal of improving the “risk profile”.
3. Having achieved “best in class” status, create a “feeding frenzy” in the insurance marketplace.
4. Achieve bottom line impact.
Strategy 3

Prospect “criteria filter”

A means to screen prospective clients that either meet or fall below your standards. The heavy lifting must not start until the “opportunity for success” is determined.
Design of My Prospect Criteria Filter

1. Understanding the depth of the relationship with the incumbent agent or broker.
2. Gaining access to the Management Team of the prospect.
3. Determining the decision maker’s enthusiasm for my unique process.
Prospect Criteria Filter

Stop

Caution

Go
Prospect Criteria Filter

Qualify the Opportunity

<table>
<thead>
<tr>
<th>Relationship with Incumbent Agent</th>
<th>Access to Decision Maker</th>
<th>Enthusiasm for Unique Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go</td>
<td>Caution</td>
<td>Stop</td>
</tr>
</tbody>
</table>

What is at risk?
Results since 1990!

- Time
- Reputation
- Confidence
- Money
- Relationships
Criteria Filter on Personal Lines & Small Commercial

The relationship with the Incumbent Agent is the best test!
Prospect Research & Qualification

Is your approach Random or Strategic?

**Random** – occurring or done without aim, reason or pattern

**Strategic** – a plan, method or series of maneuvers to achieve a specific goal or result.
What is your new business “Hit Ratio”?
Implications of a high “miss ratio”

- Time
- Reputation
- Confidence
- Money
- Relationships
AIC’s Research
4600+ Surveys

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree</th>
<th>Uncertain</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I have a new business “hit ratio” in excess of 80%</td>
<td>8%</td>
<td>12%</td>
<td>80%</td>
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</tbody>
</table>
Exercise

Diminished Value Snapshot™

Erosion of time and diminished value using a new business “miss ratio” times average hours per business development opportunity
## Diminished Value Snapshot™
... Joe the Insurance Agent

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Estimated number of new business opportunities (per year)</td>
<td>15</td>
</tr>
<tr>
<td>B</td>
<td>Estimated number of hours per opportunity*</td>
<td>x40</td>
</tr>
<tr>
<td>C</td>
<td>Total annual hours invested in new business</td>
<td>600</td>
</tr>
<tr>
<td>D</td>
<td>New business “miss ratio”</td>
<td>x70%</td>
</tr>
<tr>
<td>E</td>
<td>Erosion of time (CxD) hours</td>
<td>420</td>
</tr>
<tr>
<td>F</td>
<td>Hourly rate (projected)</td>
<td>$200</td>
</tr>
<tr>
<td>G</td>
<td>Diminished Value (erosion of time x hourly rate)</td>
<td>84,000</td>
</tr>
</tbody>
</table>

* Mid-sized commercial account
Three Keys to Success

Joe has talent, knowledge and a supportive community. However, he is missing the three keys to success.

1. Unique Process
2. Value Proposition
3. Prospect Criteria Filter
Float like a Butterfly… Sting like a Bee!
4 Round Prospect Boxing Match

Round 1 – Preparation
Round 2 – Weigh In
  (First Prospect Interview)
Round 3 – The Fight
Round 4 – Decision
Round 1 – Preparation

• Research of the industry
• Research of the business
• Learn how as much as possible about the person you are meeting with
First Research
Nathan Calvert, Business Consultant
Austin, TX
ncalvert@hoovers.com
(512) 374-4596
www.firstresearch.com

Vertafore (Silverplume)
Christine Burrows, Solutions Engineer
Boulder, CO
cburrows@vertafore.com
(303) 222-5842
www.vertafore.com
Round 2 – Weigh In

• Determine the Rules of the Game
• Who is opponent(s)
• Decision making process
• Introduce Value Proposition
• Explain Criteria Filter
• Control the outcome of the fight
Controlling the Outcome

Round 2 is where you determine the degree to which the percentages are in your favor.
Round 2 is where the Value Proposition and Criteria Filter come into play.
Reading Stop Signs

STOP

Performance Map
Impact on You, Your Staff, Family and Insurance Carriers when you speed through red lights
The Low Blow

You have won the fight fair and square.
The low blow leaves you dazed.
Hit Ratio 92.5™

Prospect Qualification and service delivery roadmap which includes the Criteria Filter.
Apples to Apples
Walk Away Power

Encountering a red light is a fact of life. The stop signal will allow you to realize that your time, confidence, reputation and money are at risk.

Bury your pride and graciously walk away. Add the prospect to the mailing list and stay in touch as the light may turn green at a later point in time.
Reading the Caution Signs
Getting the Green Signal
Round 3 – The Fight (Your Unique Process)

• Set an unmatched standard of professionalism
• Consult & Diagnose
• Uncover previously unidentified issues
• Consumer begins to question the incumbent
Your Fight Plan

Your fight plan must consist of strategies aimed at helping the consumer identify, prioritize and mitigate risks to potentially impact the bottom line.
Go for the clients heart!

**Jeff Gitomer**

“The head is attached to the price, the heart is attached to the wallet. If you jerk the heartstrings, the wallet comes popping out of the back pocket”.

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**Performance Map™**

**Beyond Insurance**
“Professionally” and Consistently Jab the Incumbent

- Insurance Program Design
- Claims Management
- Policies and Procedures
- Training and Orientation
- Insurance Program Design
- Employee handbook review, etc…
The Knockout

Presentation of findings with an action plan.
Discredit

To show to be undeserving of trust or belief; lose confidence in.
Round 4 – Decision
Don’t Ever Let the Incumbent Get Up!
Float like a Butterfly… Sting like a Bee!

Protect your time, reputation, confidence, money and relationships!
Good Luck!

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