

SELLING LIFE INSURANCE

Getting It Down to a Science—Some Interesting Charts for the Agents

Discussing salesmanship efficiency at the recent Hamilton life insurance convention, Mr. Ernest W. Owen, Detroit district manager of the Sun Life, said that too many take a green young man and put a rate book in his hand and say, "Now go to it." "This policy of pushing a man off the dock and letting him sink or swim will no longer be tolerated by companies who believe in scientific salesmanship."

In selling, skill is in knowing how to do it; the virtue is in doing it. Mr. Winslow Russell, agency manager of the Phoenix Mutual, in an address at Atlantic City, used the following charts, which show the results of ten men in 1909 by undeveloped methods and the production of same in 1912:—

Chart No. 11.—Business Written.

Salesmen.	1909.	1912.
1	\$ 40,000	\$ 244,000
2	135,000	219,000
3	37,000	180,000
4	118,500	168,000
5	37,000	153,000
6	54,000	101,000
7	40,000	95,000
8	35,000	60,700
9	42,000	60,000
10	28,000	56,000
	<u>\$574,500</u>	<u>\$1,336,700</u>

"This is an increase of 132 per cent.

"The 'standard' as shown in Chart 12 has been proven of value, and a study of the figures will convince one that it is both conservative and practical.

Chart No. 12.—The Standard.

26 working days per month.	
5 interviews per day (not calls).	
130 interviews per month (not calls).	
130 divided by 2 equals.....	65 favorables.
65 divided by 2 equals.....	33 hopefuls.
33 divided by 2 equals.....	17 probables.
17 divided by 2 equals.....	9 sure.

Average policy	\$ 2,000
\$18,000 per month—average premium	35
Twelve months' production	216,000
Premiums	7,560
Commission at 40 per cent.	3,024

"If a solicitor obtains five interviews per day for twenty-six days in a month, the average number of cases closed of the 130 interviews will be nine—and, followed, his new commission earnings, conservative figures, will equal \$3,024 for the year as a minimum.

"But few solicitors realize the fact that their time is their own, and in order to reach the 'standard' some plan should be ready that will aid him in forming habits of industry. Such a plan will require an initiative, and if the man is of the right sort he will see it to his advantage to conserve his time by making definite reports of the number of hours he spends in his canvass, the number of calls, interviews, etc. Chart No. 12 shows one form of tabulating this data, which should be properly carded and the results discussed frequently at agency meetings.

"To establish further the fact that the 'standard' shown in the last chart is conservative, we need only say that a few figures will show that if a man obtained five interviews per day for twenty-six days during a period of six months, he would have secured 780 interviews in six months, and applying this figure to the 'standard' commission earnings for the same period, we shall find the value of each interview to be \$1.93.

Chart No. 14.—Standard, 780. Value, \$1.93. Six months, 1913.

Salesmen.	Interviews.	Earnings.
No. 1	813	\$1,423
No. 2	754	1,627
No. 3	691	1,252
No. 4	670	958
No. 5	643	1,617
No. 6	457	1,009
No. 7	421	866
No. 8	388	783
No. 9	341	881
No. 10	302	1,152
	<u>5,490</u>	<u>\$11,573</u>

"The above chart gives the records of ten men who have used plans as outlined, and shows the average value of their interviews to have been \$2.10 each.

"The next chart shows results from the reports of sixty-five men for the past six months. 'Banner Men' are those who enrolled in an 'Efficiency Staff' and reported \$250 or more per month in new premiums. 'Front Line Men' are members who reported between \$150 and \$250 per month, and 'Standard Men' between \$75 and \$150 per month. Further comment upon these interesting figures is perhaps unnecessary, except as attention may be called to the average number of hours, average value of each soliciting hour and of each interview.

Chart No. 15.—Six Months' Results.

31 Banner Men reported	\$67,375
13 Front Line Men reported	13,656
21 Standard Men reported	13,297
65 Total	<u>\$94,328</u>

Salesmen.	Interviews.
31 Banner	11,788
13 Front Line	5,847
21 Standard	9,113
	<u>26,748</u>

	Hours per day.	Per hour.
Banner Men	4.5	\$1.25
Front Line Men	4.6	.63
Standard Men	4.7	.35

Interview Value.

Banner	\$2.36
Front Line	1.00
Standard60

"With figures like these it ought not to be difficult to demonstrate to men, new or old; in the service, that the difference between success and failure lies greatly with them.

"Briefly to sum up the whole: We believe that it is important to adopt some very definite plans for continually improving service for those who enter our ranks. Experience shows that the best men come from other lines and know practically nothing of our business. Many of them have been selling things that appeal solely to men's heads. To the selfish man. We must train them directly from that—to the straight heart appeal. To train men to interest others in investing their means in an unselfish way is no easy task.

CANADIAN NORTHERN BORROWS IN NEW YORK

A new loan on Canadian Northern Terminal securities, amounting to some \$1,850,000, has been arranged in New York by Sir William Mackenzie, president of the Canadian Northern, who is on his way to London. This provides for the completion of the Montreal terminal of the road. The same class of terminal bonds as have been used for previous financing since the war began were used as collateral. Sir William is said to have borrowed up to 75 per cent. of the par value, paying, with commissions, over 6 per cent.