



The WOW Factor

*This webcast was the first ever held for BDU.
Replay instructions will be available on BRC
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by andy martin



One year ago we at First Protective had the opportunity to move into an exceptionally fine space due to the softness of the market. We were able to move into a phenomenal facility that had many luxuries we would have never dreamed of purchasing. From the reaction we received from the producers and clients that entered our office, we knew that we were on to something special. We decided that we would create a **First Protective Experience**, similar to a "Disney experience", so that a visit to First Protective would become very memorable. As we began the process we realized how much fun it could be and what a huge impression it was making on our clients. It is important to know why this is significant.

One of our basic beliefs of First Protective is that products are a commodity. If we as advisors are relying on having a superior product offering, we can quickly be replaced by the Internet. Interestingly enough approximately 90% of "Generation Xers" will visit the Internet doing research on a purchase even if they plan on working with an advisor. An example of how products are a price driven commodity would be the history of the cost of term insurance. According to Protective Life, in 1978 a \$250,000 10-year term

policy cost \$468, and in the year 2000 it dropped to \$170. Obviously stock commissions have fallen as well. In the early 70's Charles Schwabb and Quick and Reily began the era of discount brokers, and the price of managing a transaction has now gotten to be as little as \$10 per trade. It's clear to understand that throughout the late 90s we could not make our living trading stocks any more. It is important for us to realize as advisors that the products are a pure commodity now. Once you get to a commodity stage, only the efficient providers will prosper. You discover that the experience and the presentation become the most profitable part of the product. Realizing that we are not the low cost provider, our decision was to start marketing ourselves as a boutique advisor. As a boutique advisor, we found that since we are trying to not sell on price and not sell on product, we would stress selling on convenience, stress reduction, time management, emotional connection, trust, and expertise. Ironically Charles Schwabb was quoted in May 1996 in the *Wallstreet Journal* as saying, "We're going into the advice business because our customers are pulling us into

it...lack of advice is the number one reason people leave us."

In trying to create an experience when visiting First Protective, we found inspiration from customer service legends such as the Ritz Carlton, Starbucks, and Nordstrom. We decided to be very intentional about appealing to the five senses. First and foremost was the sense

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of sight. For example, we use a welcome sign to welcome visitors when they enter our building. Also, the cleanliness of your office, the way in which you are dressed, and the appearance of your car all make highly visual sight impressions that are normally the first impression a client makes. I cannot stress enough the importance of keeping a neat, orderly office even if you are normally messy like me.

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According to comments made by Kerry Johnson, PhD at the Equity Leaders Conference in Montreal last year, women buy intimacy and rapport while men tend to buy competence. Therefore, we wanted to create an environment that would emphasize intimacy and rapport for a first meeting. Instead of meeting clients in a traditional conference room for our preliminary meeting, we have set up an elegant parlor. It has a beautiful view of the city. In addition, we've brought in high-grade leather furniture, lamps, and oil paintings to give it the feeling of a fine dining room. Furthermore, we tend to have soft music playing in the background to appeal to the auditory senses and a nice rich smelling aromatherapy candle such as vanilla or hazelnut.

The idea of this first meeting is to create an environment that fosters the creation of intimacy and rapport. In the meeting room we appeal to the sense of sound by putting classical music on for the initial consultation. In research done in London in 2003, they discovered in restaurants that when no music was played people spent \$35 per head on their meal. When pop music was played they spent \$36.75 per head, and when classical music was played people spent \$40 per head. It was clear that people just felt wealthier when they heard classical music. Therefore, we use classical music in the opening interview.

For a second interview, we tend to meet in my office on a small conference room table. The music has been changed from the symphony to jazz because it has more of an up-tempo beat, and it seems to imply action. By meeting at the conference table instead of a relaxed meeting room, we're sending the message that we are here to do business. And invariably, the male decision-maker is positioned directly in front of my diplomas to subtly sell my expertise.

We appeal to touch by using the highest grade of quality leather in our materials that are possible. In addition, when we serve our clients, it's done in etched crystal or fine china with a high quality napkin, our logo embossed in gold. All of these things instantly imply quality when they touch it.

Lastly, we appeal to taste by offering them a menu when they arrive at our office. On our menu are high-end things such as bottled waters, cappuccinos, espressos, and fancy juices. People comment regularly that they often are offered coffee or water when they get to an office, but rarely accept it because they don't want to seem an inconvenience. However, they make it clear that by offering them a beverage menu they know that we are there to serve them. Also, having a nice assortment of high-end snacks is handy such as smoked almonds or very high quality chocolate.

What we've discovered through this, and what some of our producers have discovered while imitating this process, is that our conversion ratio and closing ratios have skyrocketed. The quality of people that we are now doing business with has never been higher, and people have commented that it is fun to visit our office. In this day and age where people are constantly stressed out, we've discovered that not only do they have fun but also they find it physically rejuvenating, emotionally uplifting.

If you have doubts of the effectiveness of "The WOW Factor", please get input from your spouse. Some people have dismissed this as nonsense or non-professional. Let me encourage you to try it with an open mind and let the results speak for themselves. You certainly do not want to ignore these ideas and run into a competitor who used them against you.

**For more information,
visit Andy's website:**

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