Nobody Wants What You Sell

By Paul Karasik, President, The Wholesaler Institute

FOR WHOLESALERS AND FINANCIAL advisors alike, it's easy to get lost in the numbers—you know the data, mountain charts, fees, performance, etc. These numbers seem all so important and critical to sales and marketing efforts. The fact is—they are. But, the ultimate reality is the financial advisor or the client who buys products from a financial advisor is not interested in financial products themselves, but rather what those products will do and how owning them or selling them will make the client feel.

As a financial professional, you must face this truth: Nobody wants what you sell. I'm sorry to be the messenger, but nobody wants mutual funds, annuities, life insurance, separately managed accounts, hedge funds, or whatever. What people *do* want are the benefits of these products. Therefore, you must clearly delineate the difference between the product you sell, its features, and its benefits.

All financial products can be defined by the four benefits they offer: retirement income, wealth accumulation, wealth preservation, and wealth transfer. Some products, like mutual funds, fall cleanly into one category; others, like insurance products, fall into several. Your first step, then, is to think about the benefits your products deliver.

Selling your product as a benefit is paramount in the financial world because what you sell is completely intangible. You're always selling a concept, whether it's your fund manager's investment style, tax-advantaged investing, or fee-based products. Focus your selling efforts on the generic benefit of your product, and then drop your product in. If your product is competitive, you'll earn some business.

Unfortunately, many wholesalers and advisors attempt to sell product features rather than benefits. Features are what your product has; benefits are what it does. Features are the ultimate distraction for sales success. "Our funds are passively managed." Yeah, so what? "Our annuity has a short four-year surrender period." Fine, but what does that do for me?

It's not that this information isn't valuable and shouldn't be mentioned. What is important is the fact that the data and information has to be continually linked to specific benefits that are important to the end user, regardless of whether that end user is the financial advisor or the retail client.

Your job as a wholesaler or advisor is twofold. First, you must associate every product feature with a benefit and write a script showing those associations. Many of these benefits, like excellent long-term returns or impressive financial-strength ratings with Standard & Poor's and A.M. Best Company, appear obvious to you, but they may not be as obvious to the consumer.

Second, after you have identified the benefits, you must help the financial professionals communicate these benefits to their clients and prospects. Guide your clients by giving them short benefit presentations that they can use with qualified prospects.

Nobody wants a 1/4-inch drill bit. They want a 1/4-inch hole. If you're selling a Volvo to a family with young children, you're not selling the Volvo's steel-reinforced frame. You are instead selling the quality of protection the car will provide to its passengers. If you are selling an annuity, you are ultimately selling the security in knowing you will have money available as you age, the benefit of high current income, and the fact that your income won't run out. If you are selling life insurance, the benefit is the relief associated with knowing your family will be taken care of in case of your premature death.

It's important to remember that many financial advisors and wholesalers enjoy the technical aspects of the business much more than the selling part. However, the technical aspects of a financial product must be linked to benefits. Wholesalers must translate features of products into the benefit they bring to advisors when advisors include them in their product offerings. Advisors must translate the value of product to the security and quality of life of their clients. In the end, the advisor and client need to know what benefits each product will provide for that client.

Make it a habit whenever you are presenting a product to ask yourself, "So what?" For example, if the product has a long-term performance record, ask yourself, "So what?" For all the features that your are inclined to mention to the client—it is an indexed annuity; it has a rider that provides a lifetime guarantee; it has a closed end offering; or it is a retirement plan that includes target-date funds—remember to ask yourself first "So what?"

Make it a habit to never utter a feature without connecting it to a benefit. That's what selling benefits means. Every sales call and every presentation must drip with benefits from beginning to end. Nobody wants what you sell. They want the benefits, so sell them. ■

About the Author

Paul Karasik has devoted 18 years to working with America's financial professionals. As president of the Wholesaler Institute, he specializes in delivering and consulting about wholesaler training and selling systems. Paul has authored four business books; his most recent being *22 Keys to Sales Success*, published by Bloomberg Press. His articles have been featured in financial industry publications including Registered Rep, On Wall Street, Investment Adviser, and National Underwriters. He founded the American Seminar Leaders Association and regularly presents at national meetings and conferences. More information on Paul and the Wholesaler Institute can be found at www.wholesalerinstitute.com and www.paulkarasik.com. You can reach Paul at 310-545-4994 (paul@paulkarasik.com)