

# Know Your Competition

The following four companies are major players in the final expense market that seniors hear about on television or through the mail. In many cases, they also provide the worst insurance coverage for seniors. You must know these companies and when they're not right for your clients. This will help you build trust and write a lot of business. It's a simple but effective sales tool.

## **1. Globe Life**

Globe offers term insurance, ending at age 80. Their price also goes up every 5 years or so. Most of your clients are going to want Whole Life Insurance and when they learn Globe Life is term, they will listen to you and appreciate your advice.

## **2. AARP**

AARP has two types of insurance:

The first is a policy that ends at 80. Show them their policy and explain how it ends at 80 and that the price goes up every five years (just as with Globe.)

The second policy requires that all new clients wait two years before there is actual coverage (Graded Benefit). That means the client pays two years before they are covered for the full face amount. Most AARP customers should not have to wait two years, so if they are healthy it's an easy sale for you.

## **3. Colonial Penn**

Colonial Penn has a huge TV presence with lots of commercials and advertisements. They are a solid company. However, the policy they push is term that expires at age 85, and the price also increases every 5 years or so. Show this to your clients and you've got yourself another sale.

## **4. Physicians Mutual and Physicians Life**

If they bought this through a mailer, it's a modified policy with a two year wait.

### **Always Ask to See and Review Their Current Policy**

These are four of the main companies you will see out in the field. If they already have coverage, always ask if you can see and review their policy. That way you can actually see what they currently have, and if there is a potential problem, you can point it out. Also, it's a good opportunity to possibly offer a lower price. If you see they are paying \$50 per month for \$10,000 but you can offer it for \$36, show them. At the same time, show them that if they cancel their old policy, they may have cash value they can get back. I recently had a female client cancel her policy and she received \$5000 back. In this case, I told her that if she put the \$5,000 into a single premium policy, it would be worth 9k and she would never have to pay another dime in premiums. It was an easy sale. Single Premium Whole Life is generally considered a wealth transfer product which allows clients to put in a lump sum to avoid taxation when the death benefit passes to the beneficiary. If what they currently have is best for them, tell them. Now you've shown them you're an honest producer which is a great way to get some referrals.